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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

In re:	:	
	:	**Chapter 11**
HOPEMAN BROTHERS, INC.,	:	
	:	**Case No. 24-32428 (KLP)**
Debtor.	:	

DISCLOSURE STATEMENT WITH RESPECT TO THE AMENDED PLAN OF REORGANIZATION OF HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

THIS DISCLOSURE STATEMENT HAS NOT BEEN APPROVED BY THE BANKRUPTCY COURT AND NO ONE MAY SOLICIT ACCEPTANCES OR REJECTIONS OF THE PLAN UNTIL THE DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT AS CONTAINING ADEQUATE INFORMATION. THIS DISCLOSURE STATEMENT IS SUBJECT TO FURTHER MODIFICATION PRIOR TO BANKRUPTCY COURT APPROVAL.

The Plan of Reorganization, attached hereto as Exhibit A, provides for an "Asbestos Permanent Channeling Injunction" in accordance with sections 105(a) and 524(g) of the Bankruptcy Code. For a description of the claims and causes of action to be enjoined and the identities of entities that would be subject to the Asbestos Permanent Channeling Injunction, see Section IV.G of this Disclosure Statement and Article X of the Plan.

Dated: May 21, 2025

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Hopeman Brothers, Inc. ("Hopeman"), the debtor and debtor-in-possession in the above-captioned Chapter 11 Case, and the Official Committee of Unsecured Creditors (the "Committee", and collectively with Hopeman, the "Plan Proponents") are soliciting votes of creditors in favor of their jointly proposed *Plan of Reorganization of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code* (the "Plan"), attached hereto as Exhibit A. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan.

Please read this Disclosure Statement, the Plan, the exhibits, other supporting materials, and any appropriate ballot carefully and follow the instructions set forth below to vote on the Plan. The Plan Proponents believe that the Plan provides the best method of maximizing recoveries for the holders of Claims against Hopeman. Therefore, the Plan Proponents recommend that all creditors who are entitled to vote should vote in favor of the Plan.

The Plan provides, among other things, for the issuance of the Asbestos Permanent Channeling Injunction under sections 105(a) and 524(g) of the Bankruptcy Code that will, among other things, result in the channeling of certain asbestos-related liabilities of Hopeman (excluding liabilities for worker compensation claims) to a newly created Asbestos Trust, as more fully described in the Plan. The terms, conditions, and Entities subject to the Asbestos Permanent Channeling Injunction are set forth in Section 10.3 of the Plan. Except as otherwise permitted under the terms of the Plan, the Asbestos Permanent Channeling Injunction will prohibit any acts to collect, recover, or offset any asbestos-related liabilities of Hopeman against Hopeman, Reorganized Hopeman, certain third parties, and various persons or entities related to those parties. Under section 524(g), all distributions paid under the Plan to the holders of Asbestos Claims and Demands will be the responsibility of the Asbestos Trust, and Hopeman and Reorganized Hopeman shall have no further personal liability for such claims.

In addition, under the terms of Section 8.12 of the Plan, holders of Asbestos Claims and Demands may bring actions against Reorganized Hopeman and, to the extent they have obtained a judgment against Reorganized Hopeman or have the right to pursue direct actions under applicable nonbankruptcy law, such holders may bring judgment-enforcement or direct actions against Non-Settling Asbestos Insurers, in accordance with Section 8.13 of the Plan, to obtain the benefits of Asbestos Insurance Coverage. All other claims against Hopeman will receive payments and distributions in accordance with the Plan and the Asbestos Trust Documents.

The following description of the Plan is qualified in its entirety by the terms, conditions, and definitions set forth in the Plan.

THIS DISCLOSURE STATEMENT CONTAINS SUMMARIES OF CERTAIN PROVISIONS OF THE PLAN, CERTAIN STATUTORY PROVISIONS, CERTAIN DOCUMENTS RELATED TO THE PLAN, CERTAIN ANTICIPATED EVENTS IN THE CHAPTER 11 CASE AND CERTAIN FINANCIAL INFORMATION. ALTHOUGH THE PLAN PROPONENTS BELIEVE THAT THE DISCLOSURE STATEMENT, AND RELATED DOCUMENT SUMMARIES, ARE FAIR AND ACCURATE, THEY ARE QUALIFIED TO THE EXTENT THEY DO NOT SET FORTH THE ENTIRE TEXT OF THE PLAN, RELATED DOCUMENTS, OR ANY STATUTORY PROVISIONS. THE TERMS OF THE PLAN GOVERN IN THE EVENT OF ANY INCONSISTENCY WITH THIS DISCLOSURE STATEMENT. ALL EXHIBITS TO THE DISCLOSURE STATEMENT ARE INCORPORATED INTO AND ARE A PART OF THIS DISCLOSURE STATEMENT AS IF SET FORTH IN FULL HEREIN. THE STATEMENTS CONTAINED IN THIS DISCLOSURE STATEMENT ARE MADE AS OF THE DATE HEREOF, UNLESS OTHERWISE SPECIFIED, AND THE PLAN PROPONENTS DISCLAIM ANY OBLIGATION TO UPDATE ANY SUCH STATEMENTS AFTER THE HEARING ON APPROVAL OF THE DISCLOSURE STATEMENT. ALL PARTIES ENTITLED TO VOTE ARE ADVISED AND ENCOURAGED TO READ THE DISCLOSURE STATEMENT AND THE PLAN IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THE PLAN.

NO INDEPENDENT AUDITOR OR ACCOUNTANT HAS REVIEWED OR APPROVED THE LIQUIDATION ANALYSIS HEREIN.

IN CONNECTION WITH HOPEMAN'S SOLICITATION OF ACCEPTANCES OF THE PLAN PURSUANT TO SECTION 1126(B) OF THE BANKRUPTCY CODE, THE PLAN PROPONENTS ARE FURNISHING A SOLICITATION PACKAGE, CONSISTING OF THE DISCLOSURE STATEMENT, THE ENCLOSURES HERETO, AND A BALLOT OR MASTER BALLOT, AS APPLICABLE, TO EACH RECORD HOLDER OF CLAIMS ELIGIBLE TO VOTE OR ITS COUNSEL. THIS DISCLOSURE STATEMENT IS TO BE USED BY EACH SUCH ELIGIBLE HOLDER SOLELY IN CONNECTION WITH ITS EVALUATION OF THE PLAN AND ITS DECISION FOR VOTING PURPOSES WHETHER TO ACCEPT OR REJECT THE PLAN; USE OF THIS DISCLOSURE STATEMENT FOR ANY OTHER PURPOSE IS NOT AUTHORIZED. THIS DISCLOSURE STATEMENT MAY NOT BE REPRODUCED OR PROVIDED TO ANYONE OTHER THAN ADVISORS TO THE RECIPIENT WITHOUT THE PRIOR WRITTEN CONSENT OF HOPEMAN.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED IN ACCORDANCE WITH SECTION 1125 OF THE BANKRUPTCY CODE AND RULE 3016(C) OF THE FEDERAL RULES OF BANKRUPTCY PROCEDURE, AND NOT NECESSARILY IN ACCORDANCE WITH FEDERAL OR STATE SECURITIES LAWS OR OTHER NON-BANKRUPTCY LAW. THIS DISCLOSURE STATEMENT WAS PREPARED WITH THE INTENT TO PROVIDE "ADEQUATE INFORMATION" (AS DEFINED IN THE BANKRUPTCY CODE) TO ENABLE HOLDERS OF CLAIMS AGAINST AND INTERESTS IN HOPEMAN TO MAKE INFORMED JUDGMENTS ABOUT THE PLAN.

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EXHIBIT B LIQUIDATION ANALYSIS
EXHIBIT C REORGANIZED HOPEMAN PROJECTIONS

I.

Introduction

The Plan Proponents submit this Disclosure Statement in connection with the Plan. This Disclosure Statement is being distributed to all holders of Claims and Equity Interests in accordance with section 1125(b) of the Bankruptcy Code, and Rules 2002, 3016, and 3017 of the Federal Rules of Bankruptcy Procedure. The Plan is attached hereto as Exhibit A.

This Disclosure Statement sets forth certain information regarding Hopeman's prepetition history, significant events during this Chapter 11 Case, and the contemplated post-confirmation reorganization of Hopeman. This Disclosure Statement also describes the Plan, certain effects of confirmation of the Plan, and the manner in which claims will be addressed and certain distributions will be made under the Plan. Finally, this Disclosure Statement discusses the confirmation process and the procedures that holders of Claims or Equity Interests in impaired Classes must follow to object to confirmation of the Plan. This Disclosure Statement was prepared with the intent to provide "adequate information" (as defined in the Bankruptcy Code) to enable holders of Claims against and Equity Interests in Hopeman to make informed judgments about the Plan.

As set forth in detail below, this Chapter 11 Case was commenced as a result of Hopeman's dwindling cash position coupled with over 2,700 Asbestos Claims asserted and remaining unresolved against Hopeman as of June 2024. These Asbestos Claims generally are based on allegations of personal injury as a result of alleged exposure to asbestos fibers contained in marine interior materials included with joiner packages provided by Hopeman.

The Plan is intended to resolve the Asbestos Claims against Hopeman in an efficient and equitable manner. As discussed in more detail below, the Plan incorporates a settlement (the "524(g) Settlement") between Hopeman, the Committee, and Huntington Ingalls Industries, Inc. ("HII"). The basic terms of the Settlement are set forth in a term sheet filed with the Bankruptcy Court on March 7, 2025. *See* Docket No. 609, Exhibit B. The centerpiece of the 524(g) Settlement and Plan is the establishment of a trust under section 524(g) of the Bankruptcy Code (as defined in the Plan, the "Asbestos Trust") and an injunction (as defined in the Plan, the "Asbestos Permanent Channeling Injunction") that will channel the present and future Asbestos Claims (as defined in the Plan, the "Channeled Asbestos Claims") to the Asbestos Trust. As agreed in the 524(g) Settlement, and as provided for in the Plan, Hopeman will transfer its remaining insurance coverage and cash to that trust to allow for resolution of the thousands of Channeled Asbestos Claims against Hopeman after the Effective Date of the Plan.

Except as provided in Section 8.12, Section 8.13 and Section 8.15 of the Plan, the Asbestos Trust will assume liability for the Channeled Asbestos Claims and use the assets conveyed to the Asbestos Trust to resolve the Channeled Asbestos Claims and to compensate eligible holders of the Asbestos Claims in a fair and efficient manner. Section 8.12 and Section 8.13 of the Plan preserves for holders of Channeled Asbestos Claims their respective rights to obtain the benefits of Asbestos Insurance Coverage in the tort system, in addition to potential recoveries from the Asbestos Trust.

The Asbestos Permanent Channeling Injunction to be issued as part of the Plan will stay, restrain, bar and enjoin Channeled Asbestos Claims against Hopeman, Reorganized Hopeman, current and former directors, officers, or employees of Hopeman, or any past or present Affiliate of the Hopeman, solely in their respective capacities as such, or Settled Asbestos Insurers, except as provided section 10.3(b)(v) (reserving the right of holders to pursue Channeled Asbestos Claims against Reorganized Hopeman that strictly conforms with the requirements of Section 8.12 of the Plan to obtain the benefits of Asbestos Insurance Coverage).

The effect of "channeling" Asbestos Claims to the Asbestos Trust is that they may only be pursued against, and paid from, the Asbestos Trust, except as provided in Section 8.12, Section 8.13, and Section 8.15 of the Plan.

For the reasons detailed in this Disclosure Statement, the Plan Proponents believe that there will be substantially more assets available to resolve Channeled Asbestos Claims under the Plan than would be the case if Hopeman were to be liquidated under chapter 7 because Hopeman is contributing substantial assets to the Asbestos Trust on behalf of themselves and the Protected Parties in exchange for the protections provided to those parties under the Plan, which would not be contributed otherwise, and Reorganized Hopeman will continue in existence to allow claimants to attempt to recover on their Channeled Asbestos Claims from the Asbestos Insurance Coverage that might not be available absent the reorganization.

Accordingly, the Plan Proponents believe that the Plan provides a fair and reasonable recovery to current claimants and future Demand holders and that acceptance of the Plan is in the best interests of all claimants and Demand holders. The Plan Proponents urge you to vote to accept the Plan.

II.

The Disclosure Statement and Plan

Chapter 11 is the principal reorganization chapter of the Bankruptcy Code. It allows a debtor to remain in operation and work out its financial difficulties. In a chapter 11 bankruptcy case, the debtor continues to manage its affairs as a debtor-in-possession and as a fiduciary to the creditors of its estate.

Formulation and confirmation of a chapter 11 plan are the principal goals of a chapter 11 case. A plan is the vehicle for satisfying claims against a debtor. After a plan has been filed, the holders of claims that will be impaired are permitted to vote to accept or reject the plan. In connection with filing a proposed plan, section 1125 of the Bankruptcy Code requires the plan proponent to prepare a disclosure statement containing adequate information of such kind, and in such detail, as to enable a hypothetical reasonable investor to make an informed judgment about the plan.

Chapter 11 does not require that each holder of a Claim against Hopeman vote in favor of the Plan in order for the Bankruptcy Court to confirm the Plan. At a minimum, however, the Bankruptcy Code requires that the Plan be accepted by at least one Class of Claims Impaired under the Plan. In order for a Class of Claims to accept the Plan, a majority in number and at least two-

thirds in amount of those Claims that vote must vote to accept the Plan. Additionally, to satisfy the requirements of section 524(g) of the Bankruptcy Code, 75% in number and at least two-thirds in amount of the Asbestos Claims in Class 4 (Channeled Asbestos Claims) that vote must vote in favor of the Plan.

Even though a holder of a Claim may choose either not to vote or to vote against the Plan, the holder will be bound by the terms and treatment set forth in the Plan if the Plan is confirmed by the Bankruptcy Court. Creditors who fail to vote will not be counted in determining acceptance or rejection of the Plan.

Confirmation of a chapter 11 plan by a bankruptcy court makes the plan binding upon the debtor, any issuer of securities under the plan, any person or entity acquiring property under the plan, and any creditor of or equity security holder in the debtor, whether or not such creditor or equity security holder (i) is impaired under or has accepted the plan, or (ii) receives or retains any property under the plan. Subject to certain limited exceptions and other than as provided in the plan itself or the confirmation order, confirmation orders often limit the rights of creditors against a debtor with respect to any debt that arose prior to the date of confirmation of the plan and substitute therefor the obligations specified under the confirmed plan and terminate all rights and interests of equity security holders.

III.

Summary of Classification of Treatment of Claims Against and Equity Interests in Hopeman

Claims and Priority Tax Claims, are classified for purposes of voting and making Distributions under the Plan. A summary of the classification of these Claims and Equity Interests, the proposed treatment of each Class of Claims or Equity Interests, and the voting status of each Class of Claims or Interests follows:

Class and Claim or Equity Interest	Treatment	Impairment and Entitlement to Vote	Estimated Allowed Amount and Percentage Recovery
1 Priority Non-Tax Claims	Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash to be paid from the Net Reserve Funds in an amount equal to the Allowed amount of such Claim on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.	Unimpaired Not Entitled to Vote (presumed to accept)	Estimated Allowed Amount: [TBD] Estimated Recovery Percentage: 100%

2 Secured Claims	Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, at the option of Reorganized Hopeman and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash to be paid from the Net Reserve Funds; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.	Unimpaired Not Entitled to Vote (presumed to accept)	Estimated Allowed Amount: [TBD] Estimated Recovery Percentage: 100%
3 General Unsecured Claims	Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter. Solely for purposes of calculating Distributions to holders of Allowed General Unsecured Claims, on the Effective Date, all Disputed General Unsecured Claims will be treated as though they are Allowed in the amounts asserted or as estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, and a reserve will be set aside for such Disputed General Unsecured Claims.	Impaired Entitled to Vote	Estimated Allowed Amount: $69,000 Estimated Recovery Percentage: [TBD]
4 Channeled Asbestos Claims	As of the Effective Date, liability for all Channeled Asbestos Claims shall automatically, and without further act, deed, or court order, be channeled exclusively to and assumed by the Asbestos Trust in accordance with, and to the extent set forth in, Articles VIII and X of the Plan, the applicable Plan Documents, and the Confirmation Order. All Channeled Asbestos Claims shall be treated pursuant to the terms of Article VIII, the Asbestos Trust Agreement, and the Asbestos Trust Distribution Procedures. Except as provided in Article VIII, pursuant to section 524(g) of the	Impaired Entitled to Vote	Estimated Allowed Amount: Unknown Estimated Recovery Percentage: Unknown

	Bankruptcy Code, the Plan, and the Confirmation Order, Channeled Asbestos Claims shall be subject to the Asbestos Permanent Channeling Injunction.		
5 Equity Interests	On the Effective Date, the Equity Interests in Hopeman shall be cancelled, annulled and extinguished.	Impaired Not Entitled to Vote (deemed to reject)	Estimated Allowed Amount: N/A Estimated Recovery Percentage: 0%

IV.

Description of Hopeman's History, Claims, and Insurance

A. Hopeman's Corporate History and Formation

Hopeman's origins date from 1869, when Arendt Willem Hopeman, a native of Holland, established himself as a building contractor in Rochester, New York. In 1908, Mr. Hopeman's two sons joined him in the building contractor business, and they incorporated in New York as A.W. Hopeman & Sons Company ("Hopeman & Sons") and added cabinet-making to their business operations. In 1917, Hopeman & Sons diversified its business into marine joiner work, *i.e.*, the assemblage, furnishing, and installation of bulkhead panels, ceilings and other interior components of ships. In 1930, the marine business segment of Hopeman & Sons' operations was separately incorporated in Delaware as Hopeman, the debtor in this chapter 11 case.[1]

After its formation, Hopeman continued in the exclusive business of marine joiner work for over 50 years. More specifically, Hopeman was a joiner subcontractor that would acquire materials from manufacturers, make modifications to those products to meet shipbuilder specifications, and deliver the resulting "joiner packages" to various shipyards for installation by either Hopeman or shipyard employees. Hopeman provided these joiner packages and/or related services for over 3,000 ships in at least 49 shipyards in over 19 states, including Virginia. Hopeman did not at any time own or operate any shipyard and did not own ships for which it provided joiner packages and/or services.

The burning of the *S.S. Morro Castle* off of the coast of New Jersey in 1934, which resulted in the loss of 124 crew and passengers, led to changes in regulations requiring the use of fireproof materials in ships. In 1939, the United States Coast Guard (the "Coast Guard") approved of asbestos-containing wall and ceiling panels, which later became required non-combustible materials in ship construction. To comply with these regulations for its subcontracting work, Hopeman purchased "Marinite" fireproof core panels (which contained asbestos) primarily from Johns-Manville Corporation ("Johns-Manville"). The facing materials for the panels included a

[1] Hopeman moved its shipyard and accounting operations from New York to Virginia in 1971, and by 1976, Hopeman was headquartered in and maintained its principal place of business in Virginia. In February 2007, Hopeman reincorporated in Virginia and, in 2015, AWH Corporation merged into Hopeman, leaving Hopeman as the surviving entity. Hopeman later closed its office in Virginia, but it continues to store business records in a warehouse in Virginia and maintains its active corporate status in Virginia with its registered agent located in Glen Allen, Virginia.

Johns-Manville product called "Marine Veneer" (which also contained asbestos), and "Micarta," a Westinghouse Electric Corporation laminate (which sometimes had an asbestos backing), that Hopeman purchased from U.S. Plywood Corporation. Installation of the wall panels required cutting and drilling at the shipyard and/or aboard the ship being constructed.

Wayne Manufacturing Corporation ("Wayne"),[2] a now-dissolved former subsidiary of Hopeman, would glue the laminate to the Marinite core panels for the lining and divisional wall panels. Marine Veneer also was used for ceiling panels and was typically purchased by Hopeman and shipped directly to the shipyard.

On April 18, 1975, the Coast Guard approved Hopeman's asbestos-free "Beta 100" panel, for which Hopeman later received a patent. Following the Coast Guard's approval of Beta 100, Hopeman believes that it began using this asbestos-free panel. However, Hopeman had certain pre-existing contracts for which asbestos-containing panels were still specified. Hopeman believes that the majority of such contracts were completed by the end of 1976, and the remaining few contracts in 1977. Hopeman believes that the use of any asbestos-containing bulkhead panels (and Marine Veneer) was discontinued in 1977 once the pre-Beta 100 contracts were satisfied. During the 1980s, Hopeman transitioned its business away from ship joining and into manufacturing check-out counters used in commercial retail stores such as Walmart. In 2002, Hopeman spun off its cabinet-making business into Cinnabar Solutions, Inc. ("Cinnabar").[3] In 2003, Hopeman sold substantially all of its remaining shipbuilding-related assets to an unrelated party, US Joiner LLC (the "Asset Sale"), pursuant to an Asset Purchase Agreement, dated as of December 23, 2003. Hopeman's liabilities for any Asbestos Claims were excluded and not assumed by US Joiner in the Asset Sale and, as such, remained the obligations of Hopeman post-sale closing.

B. Hopeman's Prepetition Business

Since the above-referenced Asset Sale in 2003, Hopeman has existed solely to defend and, when appropriate, settle the Asbestos Claims. Generally, the prepetition administration of the Asbestos Claims involved Hopeman defending and attempting to resolve lawsuits filed against it in federal and state courts across the country, reviewing and attempting to resolve pre-litigation claims submitted pursuant to Administrative Agreements (defined below), paying settled claims, and managing Hopeman's insurance program including by collecting insurance proceeds to reimburse it for defense and claims administration costs and indemnify it for payments Hopeman made to satisfy resolved Asbestos Claims.

Hopeman has no employees. Aside from its remaining cash and business records, Hopeman's only other assets are its interests in the remaining limits of its insurance policies. As

[2] Wayne, formerly known as Wayne Lumber and Manufacturing Corporation, was a Virginia corporation that became a wholly-owned subsidiary of Hopeman and was dissolved in 1985. Wayne primarily was in the sheet metal business, manufacturing furniture, doors, window casings, trim and stairs. Wayne, however, performed the job of gluing the Micarta laminate to the Marinite core panels Hopeman supplied to Wayne because Wayne was located in Waynesboro, Virginia, in a more suitable climate for gluing the boards together than in many of the shipyards where Hopeman was furnishing the finished panels. Hopeman did not continue the general business operations of Wayne after Wayne dissolved in 1985.

[3] Cinnabar was subsequently sold in 2007.

set forth below, Hopeman's only material unpaid liabilities are the Asbestos Claims, most of which currently are unresolved.

C. Board of Directors

Hopeman's board of directors is comprised of three members (the "Board Members"), each of whom are executive officers of Hopeman, as summarized in the chart below:

Name	Position
Christopher Lascell	President
Daniel Lascell	Secretary
Carrie Lascell Brown	Vice President

None of the above-listed Board Members had any affiliation with Hopeman's business operations prior to its cessation of operations in 2003, and each only became affiliated with Hopeman upon the passing of their father, David M. Lascell, in 2016. The Board Members' father previously served as general counsel to Hopeman and, following Hopeman ceasing its business operations in 2003, he became the sole officer and majority owner of Hopeman. In such capacities, the Board Members' father oversaw the administration and resolution of the Asbestos Claims.

In 2016, the Board Members acquired their father's shares, as well as the minority shares, in Hopeman. Since that time, the Board Members have been the 100% equity holders in Hopeman and have served as Hopeman's Board Members and officers. As such, in light of their lack of involvement in Hopeman's business operations prior to its cessation of operations in 2003, the Board Members have attempted to serve as stewards of Hopeman for the last eight years, overseeing the work of outside professionals in the administration and resolution of the Asbestos Claims.

As set forth in Section 8.7 of the Plan, on the Effective Date, (a) the current officers and directors of Hopeman shall be deemed to resign from their respective positions by operation of the Plan and (b) the individual(s) identified in a notice to be filed jointly by the Committee and the Future Claimants' Representative no later than two (2) days prior to the deadline established to accept or reject the Plan shall be appointed to serve as the officers and as the director of Reorganized Hopeman.

D. Historical Asbestos Claims Against Hopeman

In 1979, Hopeman received its first Asbestos Claim alleging personal injury as a result of alleged exposure to asbestos fibers contained in marine interior materials included within the joiner packages provided by Hopeman. Since that time, claimants have asserted more than 126,000 Asbestos Claims against Hopeman. The Asbestos Claims include both lawsuits and out-of-court claims asserted through agreed procedures put in place with several law firms pursuant to Administrative Agreements (as defined below). While the pace of the filing of claims has slowed, the Asbestos Claims filed against Hopeman from January 2015 through April 2024 still exceeded

5,000 claims. Claimants continued to assert Asbestos Claims against Hopeman during the weeks leading up to the Petition Date and such Asbestos Claims are expected to continue for years to come.

The Asbestos Claims asserted against Hopeman typically involve allegations of the manifestation of one or more of four general types of asbestos-related diseases: (i) mesothelioma; (ii) lung cancer; (iii) cancers other than lung cancer, such as esophageal cancer or colon cancer; and (iv) asbestosis, or a disease that was not articulated on the face of the pleading or claim.

E. Hopeman's Prepetition Claims Process

Prepetition, the Asbestos Claims were asserted against Hopeman by two methods. The first method was pursuant to an agreed out-of-court claims process pursuant to administrative agreements Hopeman entered into with various personal injury law firms (collectively, the "Administrative Agreements"). The purpose of the Administrative Agreements was to resolve substantiated Asbestos Claims without the need for litigation, with each Disease Level pursuant to most agreements having been assigned a scheduled settlement amount. To this end, pursuant to the terms of the applicable Administrative Agreements, each claimant was required to submit evidence of his or her asbestos-related disease diagnosis and exposure to asbestos that was connected to Hopeman's business operations.

Upon confirmation that an Asbestos Claim was valid, Hopeman's third-party prepetition claims administrator, Special Claims Services, Inc. ("SCS"), would pay the agreed upon scheduled amount prescribed for the substantiated Disease Level pursuant to the applicable Administrative Agreement, or the parties would negotiate a settlement amount if there was no predetermined amount scheduled for the disease level with the counterparty. If the claims were not resolved through the administrative process, litigation of the claims might proceed in court.

Of the 1,318 Asbestos Claims Hopeman resolved in the 2023 calendar year, collectively through litigation or the administrative process, 224 of these claims were accepted as substantiated claims and settled by Hopeman. Of these settled claims, 66.47% were for mesothelioma, 27.84% were for lung cancer, 2.15% were for other types of cancer (such as esophageal cancer or colon cancer), and 3.54% were for asbestosis or another type of disease.

The second prepetition method for claim assertion was through a claimant naming Hopeman as a defendant in federal or state court litigation, typically along with multiple other defendants, including other parties that provided products or services in the construction or repair of ships, manufacturers and sellers of products, shipyards, and ship owners, among others, and at times, former directors and officers of Hopeman. The former directors and officers of Hopeman who have been named in asbestos-related lawsuits have indemnification rights against Hopeman, and Hopeman traditionally has paid the defense costs associated with defending the claims asserted against such directors and officers, subject to reimbursement for a portion of those defense costs by insurers.

As of June 23, 2024, over 2,700 unresolved Asbestos Claims have been asserted against Hopeman. These claims are filed in courts in, or submitted pursuant to the Administrative Agreements and assigned by SCS as if filed in, California (35), Illinois (32), Louisiana (88),

Maryland (1,097), Pennsylvania (41), and Virginia (1,376), with the remaining 47 claims being filed in, or assigned as if filed in, fourteen other states.[4]

F. Hopeman's Insurance Coverage and Prepetition Funding of Defense and Reconciliation Costs Concerning Asbestos Claims

Prior to the Petition Date, Hopeman primarily funded its defense and resolution of the Asbestos Claims by drawing upon available coverage from its liability insurance program and with cash on hand. Hopeman's asbestos-related liability insurance program consists of primary-layer insurance policies and multilayer excess general liability insurance policies issued by various insurers (collectively, the "Insurers"), the last coverage period for which ended December 31, 1984. The primary-layer policies Hopeman purchased from 1937 through 1984 were all issued by Liberty Mutual Insurance Company ("LMIC"). The excess insurance policies in the program were issued by LMIC and various other Insurers from 1965 through 1984.

Historically, pursuant to Hopeman's various insurance policies, solvent Insurers, within their applicable policy limits, would reimburse Hopeman for portions of its defense costs (including claims administration costs) and for portions of the liability payments it made to resolve Asbestos Claims. Additionally, prior to the Petition Date, Hopeman entered into various agreements with certain Insurers to address the Asbestos Claims. Specifically, in June 1985, Hopeman and certain of its Insurers, as well as other asbestos claim defendants and their respective insurers, entered into an Agreement Concerning Asbestos Claims (commonly known as the "Wellington Agreement"). Pursuant to the Wellington Agreement, participating insurers' obligations for asbestos-related claims, including for payment of defense costs and indemnification of liability payments incurred by Hopeman in connection with Asbestos Claims, were spread pro-rata across all insurance policies from a claimant's date of first exposure across a "coverage block" which, in Hopeman's case, eventually extended to 1984.

A number of Insurers who were not signatories to the Wellington Agreement entered into bilateral insurance settlement agreements, called "coverage-in-place" agreements, with Hopeman (collectively, the "Asbestos CIP Agreements"). Pursuant to each Asbestos CIP Agreement, the applicable insurance policy remained in place and the agreements obligated those Insurers to pay portions of Hopeman's defense costs and liability indemnification amounts for Asbestos Claims on terms identical to or substantially similar to those of the Wellington Agreement. As a result of such agreements and payments, all of the primary layer and excess insurance that Hopeman purchased from LMIC was released by Hopeman.[5]

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[4] Some of these claims may also be the subject of filed complaints that the parties to Administrative Agreements agree are not to proceed while the administrative process continues.

For claims submitted via Administrative Agreements, the above-referenced jurisdictions historically were assigned by SCS based upon several criteria, including (i) the jurisdiction in which the claimant's counsel typically filed lawsuits pertaining to the Asbestos Claims asserted against Hopeman; or (ii) the jurisdiction in which a claimant initially filed a lawsuit against Hopeman pertaining to his or her Asbestos Claim but subsequently pursued the claim instead through an Administrative Agreement.

[5] As discussed below, the holders of Asbestos Claims assert that Hopeman's release of LMIC does not extinguish any rights to or interests in the coverage these claimants have against LMIC.

Hopeman's historical spend to pay claims and fund defense costs in connection with the Asbestos Claims has far exceeded the amounts reimbursed by the Insurers. For the four-year period of 2020 through 2023, Hopeman's claim payments and defense costs totaled over $52 million, with payments to claimants totaling $30 million and defense costs totaling $22 million. In 2023 alone, Hopeman spent over $12 million in combined claim payments and defense costs, while being reimbursed only $6.6 million of this amount by Insurers. As such, for year 2023, net of insurance recoveries, Hopeman used its own cash to pay approximately 35.12% of claim payments and 57.33% of defense costs, resulting in an annual cash burn of approximately $5.5 million.

Pursuant to Asbestos CIP Agreements in effect in 2023, of the $6,362,200 Hopeman paid to claimants in 2023, Insurers were responsible to reimburse Hopeman for 64.88% of those amounts and 42.67% of the $5,946,060 in defense costs.

V.

The Chapter 11 Case

A. Reasons for the Chapter 11 Filing

After years of Hopeman covering the shortfall in insurance proceeds for its defense costs and claims payments in connection with the Asbestos Claims, Hopeman's cash reserves have dwindled. If allowed to continue on the current pace, Hopeman would deplete its remaining cash within 12 months of the Petition Date. Upon such depletion, only the coverage remaining from unexhausted insurance policies would be available to cover the costs and liability associated with the Asbestos Claims. With Hopeman unable to continue managing the defense and resolution of the Asbestos Claims upon exhausting its available cash, it would create the classic "race to the courthouse" for claimants to recover remaining insurance proceeds. As a result, in consultation with its restructuring counsel and other advisors, Hopeman determined that it was in its best interest, as well as in the best interest of holders of Asbestos Claims, to commence this chapter 11 proceeding to seek approval and implementation of an efficient, value maximizing process to monetize the remaining available insurance and distribute those proceeds equitably to valid holders of Asbestos Claims.

VI.

Insurance Settlement Motions, Plan Negotiations and the 524(g) Settlement

A. Insurance Settlement Motions

To accomplish Hopeman's primary goal for this Chapter 11 Case to establish an efficient and fair process to utilize Hopeman's remaining cash and its insurance policies to address the thousands of asbestos-related claims asserted against Hopeman, Hopeman promptly sought the Bankruptcy Court's approval of two insurance settlements – the "Chubb Insurer Settlement" and the "Certain Settling Insurers Settlement" – that would generate nearly $50 million in cash and filed a proposed chapter 11 plan at Docket No. 84 (the "Original Plan") seeking to establish a

liquidation trust to which Hopeman would transfer the settlement proceeds and its other assets and have the trust address the remaining asbestos-related claims asserted against it.

Specifically, Hopeman believes that, prior to the Petition Date, Hopeman and the Chubb Insurers conducted extensive, good faith negotiations in the months leading up to the commencement of this Chapter 11 Case. These prepetition negotiations were initiated and conducted with the purpose of resolving Hopeman's unexhausted insurance coverage under policies issued by the Chubb Insurers and resulted in a prepetition settlement agreement, dated as of June 27, 2024, that monetizes the applicable insurance policies in the amount of $31,500,000 (the "Chubb Insurer Settlement").

On the Petition Date, Hopeman filed the motion seeking approval of the Chubb Insurer Settlement, that was filed [Docket No. 9] (the "Chubb Insurer Settlement Motion").

Similarly, prior to the Petition Date, Hopeman also began arm's length, good faith negotiations with the following liability insurers: Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania, National Union fire Insurance Company of Pittsburgh, PA, and General Reinsurance Corporation (collectively, the "Certain Settling Insurers"), for the purpose of resolving Hopeman's unexhausted insurance policies issued by the Certain Settling Insurers that, subject to their respective terms, conditions, and exclusions cover or allegedly cover Asbestos Claims asserted against Hopeman. These negotiations resulted in a settlement between Hopeman and the Certain Settling Insurers, dated July 10, 2024 (the "Certain Insurer Settlement Agreement"), that monetizes the policies issued to Hopeman by the Certain Settling Insurers in the aggregate amount of $18,395,011. By motion filed on July 10, 2024, Hopeman sought Bankruptcy Court approval of the Certain Insurer Settlement Agreement [Docket No. 53] (the "Certain Insurer Settlement Approval Motion"; together with the Chubb Insurer Settlement Motion, the "Insurer Settlement Motions").

On the same day Hopeman filed the Certain Insurer Settlement Approval Motion, Hopeman also sought approval of proposed procedures for providing notice of the insurance settlement motions and scheduling a hearing on the Insurer Settlement Motions. *See* Docket No. 54. On September 12, 2024, the Bankruptcy Court entered its order approving the proposed notice procedures and setting the hearing for approval of the Insurer Settlement Motions for November 12, 2024. *See* Docket No. 204.

B. Prosecution of the Insurer Settlement Motions and Negotiations that Led to the 524(g) Settlement

During the course of this case, Hopeman has made good faith efforts to obtain the Bankruptcy Court's approval of the Insurer Settlement Motions on an expeditious basis, while also allowing the Committee and creditors time to conduct discovery on and consider the merits of those proposed settlements.

Before completing that discovery, and following a Bankruptcy Court-approved agreement by Hopeman and the Committee to adjourn the hearing on the Insurer Settlement Motions to December 16 [Docket No. 376], Hopeman and the Committee executed a settlement term sheet,

effective as of November 29, 2024 (the "November 29 Term Sheet"), through which, among other things, (a) Hopeman agreed to adjourn the hearing on the Chubb Insurer Settlement Motion, (b) Hopeman and the Committee agreed to participate in judicial mediation concerning the Chubb Insurer Settlement Motion, and (c) the Committee agreed not to oppose approval of the Certain Settling Insurers Settlement Motion at the December 16 hearing. The November 29 Term Sheet also provided that Hopeman and the Committee agreed to negotiate in good faith over the terms of a chapter 11 plan that would propose to create a trust pursuant to section 524(g) of the Bankruptcy Code.

Hopeman successfully prosecuted the Certain Settling Insurers Motion at the December 16 hearing. On December 19, 2024, the Bankruptcy Court entered its Order approving the Certain Settling Insurer Settlement Motion and overruling four objections to that settlement. *See* Docket No. 442 (the "Settlement Approval Order"). Subsequently, two parties – including HII – appealed the Settlement Approval Order. While HII dismissed its appeal as part of the 524(g) Settlement discussed below, as of the date hereof, the other party has not yet dismissed its appeal, and the sale approved by the Settlement Approval Order has not been consummated. If the appeal of the Settlement Approval Order is not resolved earlier and as provided in Section 10.9 of the Plan, the entry of the Confirmation Order shall constitute the Bankruptcy Court's or District Court's approval, as applicable, of the Certain Settling Insurers Agreement pursuant to Bankruptcy Rule 9019 and section 524(g) of the Bankruptcy Code.

On December 17, 2024, the Bankruptcy Court entered the *Agreed Order Continuing Hearing and Deadlines Solely as to Chubb Insurers Settlement Motion* [Docket No. 437], that continued the hearing as to the Chubb Insurers Settlement Motion to the omnibus hearing scheduled on March 20, 2025, and also adjourned indefinitely certain of the discovery/briefing deadlines related to the Chubb Insurers Settlement Motion that, as of November 29, 2024, had not yet expired. A copy of the November 29 Term Sheet was annexed to that agreed order. Hopeman subsequently adjourned the Chubb Insurers Motion to the omnibus hearing scheduled for June 18, 2025, after entering into the Settlement.

On December 20, 2024, the Court entered its Order approving the joint motion by Hopeman and the Committee to authorize judicial mediation (the "Mediation") of the Chubb Insurer Settlement Motion [Docket No. 443] (the "Mediation Order"), among other things, (i) appointing the Honorable Kevin R. Huennekens as judicial mediator (the "Mediator") and (ii) directing Hopeman, the Committee, and the related Chubb insurers (Century Indemnity Company and Westchester Fire Insurance Company) to mediate the relief sought in the Chubb Insurers Settlement Motion. Hopeman and the Committee consented to a request from HII to participate in the Mediation.

The Mediation resulted in the 524(g) Settlement -- an agreement between Hopeman, the Committee and HII but not an agreement with the Chubb Insurers. The 524(g) Settlement, *inter alia*, sets forth the essential terms on which Hopeman and the Committee agreed to resolve Hopeman's liability for Channeled Asbestos Claims, including that Hopeman and the Committee have agreed to jointly prosecute a chapter 11 plan that would create a trust pursuant to section 524(g) of the Bankruptcy Code, and Hopeman would transfer its remaining insurance coverage and cash to that trust to allow for resolution of the thousands of Channeled Asbestos Claims against Hopeman after the effective date of the contemplated plan. Among other terms, the Committee

also agreed to and subsequently dismissed its appeal of the a second interim order granting the Stay Extension Motion, which is described part VII below.

The Plan incorporates the terms of the 524(g) Term Sheet.

C. Unresolved Contentions

(a) The Chubb Insurers. The Chubb Insurers have contended that (a) Hopeman has failed to make a good faith effort to obtain Bankruptcy Court approval of the Chubb Insurers Settlement Motion in accordance with Hopeman's prepetition proposed settlement agreement with them, (b) the Plan contemplated by the 524(g) Settlement Term Sheet is not confirmable (*see* Docket No. 595), and (c) the Committee is not fulfilling its fiduciary obligations to its creditors (*see id*.), a contention the Committee vehemently denies. Each of these contentions are addressed below:

(i) Good Faith Effort. Hopeman contends that it has complied with its obligations by promptly seeking Bankruptcy Court approval of the proposed settlement through a motion filed on the Petition Date, through multiple conversations with the Committee and creditors to attempt to convince them to support the motion, through cooperation in extensive discovery by the Committee and other creditors about the proposed settlement, through Hopeman jointly moving with the Committee to conduct a judicial mediation concerning the Chubb Insurers Settlement Motion, through participating in the Mediation, and through post-Mediation conversations to attempt to get the Chubb Insurers to engage with the Committee on negotiating a final resolution of the Chubb Insurer Motion.

(ii) Confirmable 524(g) Plan. Hopeman expects that the Chubb Insurers will oppose confirmation of the Plan. Hopeman and the Committee contend that the Plan is confirmable under section 524(g) and will present evidence proving the Plan complies with all the requirements for confirmation of the Plan under the Bankruptcy Code at the confirmation hearing. The Chubb Insurers are reserving and not waiving any of their arguments as to the confirmability of the Plan.

(iii) Fulfilling Fiduciary Obligations. Hopeman and the Committee have jointly applied to the Court to appoint a Future Claimants' Representative to serve as the legal representative for parties making "demands" upon Hopeman or Reorganized Hopeman in accordance with section 524(g)(4)(B)(i).

(iv) Adversary Proceeding. The Chubb Insurers have filed a Complaint against the Debtor asserting claims for breach of contract and anticipatory breach of contract in adversary proceeding number 25-03015-KLP. In their Complaint, the Chubb Insurers claim that the Debtor has breached a prepetition settlement agreement it reached with the Chubb Insurers. The Chubb Insurers assert that they have a binding agreement with the Debtor that would prohibit the Debtor from prosecuting the proposed Plan, which the Chubb Insurers allege is inconsistent with the settlement agreement. The Chubb Insurers seek damages and administrative priority treatment for those damages, among other relief. The Debtor refers all

parties to the Complaint itself for the particulars of the Chubb Insurers' allegations. The Debtor, on the other hand, contends that the Debtor has not breached the settlement agreement, that the settlement agreement is subject to Bankruptcy Court approval and has not yet been approved, that it is an executory contract that can be rejected in the bankruptcy with Court approval, and that any claim the Chubb Insurers may have for rejection or other breach of the agreement is a pre-petition general unsecured claim that must be resolved in the Court-approved claims process, rather than through an adversary proceeding. The Debtor intends to vigorously defend against the Complaint.

(v) Insurance Neutrality. The Chubb Insurers also assert that the Plan imposes burdens and duties upon the Chubb Insurers that are not required by the policies the Chubb Insurers issued to the Debtor. The Debtor contends the Plan is "insurance neutral" and does not impose any burdens or duties on the Chubb Insurers that they do not have already under the policies and that the obligations and defenses of the Chubb Insurers are dictated by applicable non-bankruptcy law, not the Plan

(b) LMIC. LMIC was Hopeman's primary liability insurance carrier. LMIC paid out millions of dollars on asbestos-related claims asserted against Hopeman and for Hopeman's costs. In various settlements Hopeman reached with LMIC, Hopeman released LMIC and sold back the primary liability insurance coverage to LMIC. Under those settlement agreements, Hopeman agreed to indemnify LMIC against certain claims and from certain sources. LMIC contends that Hopeman has failed to indemnify it in accordance with its obligations and has filed a proof of claim in this case, asserting Hopeman owes LMIC a minimum of $317,254.89 in unpaid indemnity obligations. LMIC reserves the right in that proof of claim to assert additional sums are owed to it by Hopeman.

LMIC also contends that its insurance coverage is unavailable to any Asbestos Claimant as a result of the settlements reached with Hopeman, and that Hopeman's prosecution of the Plan breaches Hopeman's contractual obligations to Liberty. Liberty argues that the Plan cannot transfer Hopeman's rights in the LMIC policies because Hopeman has no such rights.

Hopeman contends that, under unambiguous provisions of its settlement agreements, LMIC's sole source of recovery for any breach by Hopeman of its indemnity or defense obligations to LMIC are funds that were held in a qualified settlement trust established under those settlement agreements. Those funds were depleted many years ago. Accordingly, even if Hopeman breached its obligations to LMIC, it has no liability to LMIC that would be a claim against Hopeman's bankruptcy estate. Hopeman intends to object to LMIC's proof of claim and to vigorously oppose any attempt by LMIC to seek a claim in this case. In Hopeman's view, LMIC is not a creditor with standing in this case. LMIC, furthermore, lacks standing as an insurer of the Debtor to object to confirmation of the Plan and will not be aggrieved by the Plan, if confirmed.

(c) Other Parties' Contentions. Other parties have opposed certain relief sought by Hopeman in this case, including the Committee, HII, the Office of the U.S. Trustee, and certain other law firms representing asbestos-related claimants. The Committee and HII both agreed to

the Section 524(g) Term Sheet and should support the Plan as long as it is consistent with that term sheet. The Plan Proponents do not know whether other parties will oppose confirmation of the Plan, but any such party with standing will have the opportunity to file an objection to confirmation of the Plan in accordance with the deadlines set forth in the Solicitation Procedures Order

VII.

Other Events During the Chapter 11 Case

A. First Day Motions and Orders

On the Petition Date, Hopeman filed motions seeking various forms of relief from the Bankruptcy Court to enable Hopeman to facilitate a smooth transition into chapter 11 (the "First Day Motions"). Hopeman asked that the Bankruptcy Court consider and approve the relief requested therein on an expedited basis at the hearing held on July 2, 2024 at 11:00 a.m. (prevailing Eastern Time). Each of the First Day Motions' requested relief were granted by the Bankruptcy Court and are briefly summarized below:

- continuing the use of Hopeman's cash management system, bank account, and business forms [Docket No. 5] (the "Cash Management Motion");

- listing addresses of legal counsel for personal injury claimants in the creditor matrix in lieu of such claimants' addresses and approving notice procedures for such claimants [Docket No. 6];

- waiving the requirement to submit a formatted mailing matrix and approving the form and manner of the Notice of Commencement of the Chapter 11 Case [Docket No. 4]; and

- extending the automatic stay to enjoin claims against certain non-debtor defendants in asbestos-related lawsuits filed, or to-be-filed, as applicable, in "direct action" states that otherwise would drain coverage available for Asbestos Claims asserted or to be asserted against Hopeman [Docket No. 7] (the "Stay Extension Motion").

Further, while not a motion, Hopeman also filed an application seeking authority to retain Kurtzman Carson Consultants, LLC dba Verita Global ("Verita") as Hopeman's claims, noticing, and administrative agent [Docket No. 3] (the "Verita Retention Application") to be considered by the Bankruptcy Court simultaneously with the First Day Motions.

The docket numbers for the orders granting the relief requested in each of the above-referenced First Day Motions and the Verita Retention Application are 32, 33, 34, and 35, respectively. The Bankruptcy Court has entered two additional orders granting the relief requested in Stay Extension Motions on an interim basis and the docket numbers for such orders are 245 and 622. The third interim stay order, unless extended, expires June 30, 2025, or upon the effective date of the Plan should that occur earlier than June 30 or any extended expiration date.

B. Schedules and Statements and the Bar Date for Non-Asbestos Claims

On July 15, 2024, Hopeman timely filed its schedules of assets and liabilities ("Schedules") and statements of financial affairs ("Statements"). *See* Docket Nos. 59 and 60.

In an order dated September 12, 2024 (Docket No. 193), the Bankruptcy Court established**,** November 4, 2024, as the general bar date for the filing of Proofs of Claim for Claims *other than Asbestos Claims* and those belonging to governmental entities. This order also required that governmental units that are creditors must file proofs of claim by December 27, 2024. Under this order, holders of Asbestos Claims were not required to file proofs of claims against Hopeman. Likewise, any creditor whose Claim is set forth in the Schedules and is not identified therein as being contingent, unliquidated, or disputed, was permitted (but was not required) to file a Proof of Claim against Hopeman in order to participate in the Chapter 11 Case or receive a Distribution under the Plan.

C. Retention of Hopeman's Chapter 11 Professionals

The Bankruptcy Court has entered orders approving Hopeman's retention of the following professionals to assist Hopeman in carrying out its duties under the Bankruptcy Code during the Chapter 11 Case:

- Hunton Andrews Kurth, LLP, as Hopeman's Counsel;
- Stout Risius Ross, LLC, as financial advisor to Hopeman;
- Blank Rome, LLP, as Hopeman's special insurance counsel;
- Courington, Kiefer, Sommers, Marullo & Matherne, L.L.C., as Hopeman's special litigation counsel; and
- Kutak Rock LLP, as Hopeman's special conflicts counsel.

The docket numbers for the orders approving the retention of such professionals are 163, 164, 165, 187, and 509.

D. Formation of the Official Committee of Unsecured Creditors and Retention of Committee Professionals

On July 22, 2024, the United States Trustee for the Eastern District of Virginia appointed the Committee. *See* Docket No. 69. The Committee consists of the following five (5) individuals who assert Asbestos Personal Injury Claims against Hopeman: Nancy McComas-Doiron, represented by Peter Angelos Law; Veronica Miller, represented by MRHFM Law Firm; Darrell Kitchen, represented by Simmons Hanly Conroy; Melissa Beerman, represented by Dean Omar Branham Shirley, LLP; and Donald M. Hoffman, Jr., represented by Stephen J. Austin, LLC.

The Bankruptcy Court has entered orders approving the Committee's retention of the following professionals to assist the Committee in carrying out its duties under the Bankruptcy Code during the Chapter 11 Case:

- Caplin & Drysdale, Chartered, as Committee's counsel;
- Morgan, Lewis & Bockius LLP, as Committee's special insurance counsel;
- FTI Consulting, as financial advisor to the Committee; and
- NERA Economic Consulting, Inc., as Committee's insurance allocation expert

The docket numbers for the orders approving the retention of such professionals are 202, 269, 270, and 416.

E. Exclusivity

Section 1121(b) of the Bankruptcy Code provides that, for a period of 120 days after the commencement of a chapter 11 case, a debtor has the exclusive right to file a plan (the "Exclusive Plan Period"). In addition, section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan within the Exclusive Plan Period, it has a period of 180 days after commencement of the chapter 11 case to obtain acceptances of such plan (the "Exclusive Solicitation Period" and, together with the Exclusive Plan Period, the "Exclusive Periods").

Pursuant to a second motion of Hopeman to extend the Exclusive Periods, by an order dated March 11, 2025 (Docket No. 523), the Bankruptcy Court extended the (i) Exclusive Filing Period through and including May 25, 2025, and (ii) the Exclusive Solicitation period through and including July 25, 2025

Further, as it pertains to the Exclusive Solicitation Period, Hopeman anticipates filing, contemporaneously with the filing of this Disclosure Statement or shortly thereafter, a motion seeking a combined hearing on approval of the adequacy of this Disclosure Statement and confirmation of the Plan and the solicitation procedures regarding the Plan, among other forms of relief requested therein (the "Solicitation Motion"). The Solicitation Motion will aid in ensuring the Plan Proponents work to obtain votes on the Plan, in accordance with the Bankruptcy Code, as soon as reasonably possible and within the Exclusive Solicitation Period.

F. Appointment of Future Claimants' Representative

On May 14, 2025, the Bankruptcy Court approved a joint motion filed by Hopeman and Committee at Docket No. 732 to appoint Marla Rosoff Eskin, Esq. to act as legal representative to protect the shared interests of individuals who might assert asbestos-related demands against Hopeman in the future (the "Future Claimants' Representative"). After the Court entered the order appointing the Future Claimants' Representative over their objection, the Chubb Insurers appealed that order to the District Court. The appeal remains pending. The Debtor and Committee will vigorously oppose the appeal and believe they will prevail.

Hopeman anticipates that the Future Claimants' Representative will engage Professionals, subject to Bankruptcy Court approval, to assist the Future Claimants' Representative in carrying out her duties under the Bankruptcy Code.

G. U.S. Trustee Matters and Reports

Hopeman has filed, and will continue to file, reports including, among other things, information regarding its deposits, expenditures, and other relevant financial information in monthly operating reports prior to the Effective Date. After the Effective Date, Reorganized Hopeman will file quarterly post-confirmation reports with the Bankruptcy Court until the Chapter 11 Case is converted, dismissed, or closed, whichever occurs first.

VIII.

Summary of the Plan

This Section of the Disclosure Statement summarizes the treatment of Claims and Interests under the Plan and structure and means for implementation of the Plan and is qualified entirely by reference to the Plan and the definitions contained therein (and to any exhibits attached to the Plan) as this is only a summary of the Plan and therefore is not inclusive of each Article or Section of the Plan.

A. Treatment of Holders of Claims and Interests Under the Plan

Section 1123 of the Bankruptcy Code provides that a chapter 11 plan must classify the claims and interests of a debtor's creditors and equity interest holders. In accordance with section 1123 of the Bankruptcy Code, the Plan divides Claims and Interests into Classes and sets forth the treatment for each Class (other than Administrative Expense Claims and Priority Tax Claims, which, pursuant to section 1123(a)(1) of the Bankruptcy Code, need not be and have not been classified). Hopeman is also required, under section 1122 of the Bankruptcy Code, to classify Claims against and Equity Interests in Hopeman into Classes that contain Claims and Equity Interests that are substantially similar to the other claims and Interests in such Class.

The classification of Claims and Equity Interests and the nature of Distributions to members of each Class are summarized in the table at the beginning of this Disclosure Statement and more fully below. The Plan Proponents believe that the consideration provided under the Plan to holders of Claims and Interests reflects an appropriate resolution of the Claims and Equity Interests. The Bankruptcy Court must find, however, that a number of statutory tests are met before the Plan may be confirmed. Many of these tests are designed to protect the interests of holders of Claims or Interests who will be bound by the provisions of the Plan if it is confirmed.

B. Administrative Expense Claims

(a) Filing Administrative Expense Claims. The holder of an Administrative Expense Claim, other than (a) a Professional Fee Claim covered by Section 2.2 of the Plan, (b) a liability incurred and payable in the ordinary course of business by Hopeman after the Petition Date that has been paid by Hopeman, or (c) an Administrative Expense Claim that has been Allowed and/or paid in full on or before the Effective Date, must file and serve on Reorganized Hopeman a request for payment of such Administrative Expense Claim pursuant to section 503(a) of the Bankruptcy Code so that it is received no later than the Administrative Expense Claim Bar Date. Holders required to file and serve but who fail to file and serve a request for payment of Administrative Expense Claims by the Administrative Expense Claim Bar Date shall be forever

barred from asserting such Administrative Expense Claims against Hopeman, Reorganized Hopeman, and their property, and such Administrative Expense Claims shall be deemed waived and released as of the Effective Date. Notwithstanding the foregoing, pursuant to section 503(b)(1)(D) of the Bankruptcy Code, no Governmental Unit shall be required to file a request for payment of any Administrative Expense Claim of a type described in sections 503(b)(1)(B) or 503(b)(1)(C) of the Bankruptcy Code as a condition to such Claim being Allowed.

(b) Allowance of Administrative Expense Claims. An Administrative Expense Claim, with respect to which a request for payment has been properly and timely filed pursuant to Section 2.1(a) of the Plan, shall become an Allowed Administrative Expense Claim if no objection to such request is filed with the Bankruptcy Court and served on Reorganized Hopeman and the requesting party on or before the thirtieth (30th) calendar day after the Administrative Expense Claim Bar Date, as the same may be modified or extended from time to time by order of the Bankruptcy Court. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent Allowed by a Final Order or as such Claim is settled, compromised, or otherwise resolved pursuant to Article VII.

(c) Payment of Allowed Administrative Expense Claims. Except to the extent that an Administrative Expense Claim already has been paid during the Chapter 11 Case or the holder of an Allowed Administrative Expense Claim agrees to less favorable treatment, and except as provided for Professional Fee Claims in Section 2.2 of the Plan, each holder of an Allowed Administrative Expense Claim against Hopeman shall receive, in full and complete settlement, release, and discharge of such Claim, Cash, to be paid from the Net Reserve Funds, equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) the first Business Day that is at least thirty (30) calendar days after the date on which such Administrative Expense Claim becomes Allowed; and (iii) such other date as may be agreed to by such holder and Reorganized Hopeman or as otherwise ordered by the Bankruptcy Court; *provided*, *however*, that Allowed Administrative Expense Claims (other than a Professional Fee Claim covered by Section 2.2) representing liabilities incurred in the ordinary course of business by Hopeman, as Debtor in Possession, may be paid by Hopeman, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

C. Professional Fees

Each Professional requesting compensation pursuant to section(s) 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services rendered in connection with the Chapter 11 Case before the Effective Date shall (a) file with the Bankruptcy Court, and serve on counsel to Reorganized Hopeman, an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Case on or before the date that is forty-five (45) calendar days after the Effective Date, and (b) after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and the Bankruptcy Rules and any prior orders of the Bankruptcy Court in the Chapter 11 Case, be paid by Reorganized Hopeman, in Cash from the Net Reserve Funds, in such amounts as are Allowed by the Bankruptcy Court (i) no later than thirty (30) calendar days after the date upon which the order relating to any such Allowed Claim is entered or (ii) upon such

other terms as may be mutually agreed upon between the holder of such an Allowed Claim and Reorganized Hopeman or as otherwise ordered by the Bankruptcy Court.

D. Priority Tax Claims

Except to the extent that the holder of an Allowed Priority Tax Claim has been paid by Hopeman prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive, in full and complete settlement, release, and discharge of such Claim, Cash from the Net Reserve Funds in an amount equal to the unpaid portion of such Allowed Priority Tax Claim, on the latest of (i) the Effective Date, (ii) thirty (30) days after the date such Priority Tax Claim becomes an Allowed Claim, or as soon thereafter as is practicable, and (iii) the date such Allowed Priority Tax Claim becomes due and payable under applicable non-bankruptcy law.

E. Treatment of Classified Claims and Interests

The proposed treatment of all other Allowed Claims and Equity Interests is set forth in Article IV of the Plan and is summarized as follows:

1. *Class 1 – Priority Non-Tax Claims*

(a) Classification. Class 1 consists of all Priority Non-Tax Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash to be paid from the Net Reserve Funds in an amount equal to the Allowed Amount of such Claim on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.

(c) Impairment and Voting. Class 1 is Unimpaired under the Plan. Each holder of a Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

2. *Class 2 – Secured Claims*

(a) Classification. Class 2 consists of all Secured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, at the option of Reorganized Hopeman and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash to be paid from the Net Reserve Funds; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 2 is Unimpaired under the Plan. Each holder of a Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

3. *Class 3 – General Unsecured Claims*

(a) Classification. Class 3 consists of all General Unsecured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter. Solely for purposes of calculating Distributions to holders of Allowed General Unsecured Claims, on the Effective Date, all Disputed General Unsecured Claims will be treated as though they are Allowed in the amounts asserted or as estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, and a reserve will be set aside for such Disputed General Unsecured Claims.

(c) Impairment and Voting. Class 3 is Impaired under the Plan. Each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

4. *Class 4 – Channeled Asbestos Claims*

(a) Classification. Class 4 consists of all Channeled Asbestos Claims.

(b) Treatment. As of the Effective Date, liability for all Channeled Asbestos Claims shall automatically, and without further act, deed, or court order, be channeled exclusively to and assumed by the Asbestos Trust in accordance with, and to the extent set forth in, Articles VIII and X of the Plan, the applicable Plan Documents, and the Confirmation Order. All Channeled Asbestos Claims shall be treated pursuant to the terms of Article VIII of the Plan, the Asbestos Trust Agreement, and the Asbestos Trust Distribution Procedures. Except as provided in Article VIII of the Plan, pursuant to section 524(g) of the Bankruptcy Code, the Plan, and the Confirmation Order, Channeled Asbestos Claims shall be subject to the Asbestos Permanent Channeling Injunction.

(c) Impairment and Voting. Class 4 is Impaired under the Plan. Each holder of an Asbestos Claim is entitled to vote to accept or reject the Plan.

5. *Class 5 – Equity Interests*

(a) Classification. Class 5 consists of all Equity Interests.

(b) Treatment. On the Effective Date, the Equity Interests in Hopeman shall be cancelled, annulled, and extinguished.

(c) Impairment and Voting. Class 5 is Impaired under the Plan. Holders of Interests are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code and, accordingly, are not entitled to vote to accept or reject the Plan.

F. Means for Implementation of the Plan

1. Generally

On and after the Confirmation Date, the Plan Proponents shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary to enable them to implement the provisions of the Plan, including the creation of the Asbestos Trust and the preparations for the transfer of the Asbestos Trust Assets to the Asbestos Trust.[6] On and after the Effective Date, Reorganized Hopeman shall be governed pursuant to the Amended Certificate of Incorporation and Amended By-Laws of Reorganized Hopeman.

2. The Asbestos Trust

(a) Creation of the Asbestos Trust. On the Effective Date, the Asbestos Trust shall be created in accordance with the Plan Documents, the Asbestos Trust Documents, and section 524(g) of the Bankruptcy Code. Subject to the provisions of the Plan, and in consideration of the transfer of the Asbestos Trust Assets to the Asbestos Trust, the Asbestos Trust shall assume all liabilities and responsibility for all Channeled Asbestos Claims, and, among other things, to: (1) direct the processing, liquidation, and payment of all compensable Channeled Asbestos Claims in accordance with the Plan, the Asbestos Trust Documents, and the Confirmation Order; (2) preserve, hold, manage, and maximize the assets of the Asbestos Trust for use in paying and satisfying Channeled Asbestos Claims; and (3) qualify at all times as a qualified settlement fund. The Asbestos Trust shall use the Asbestos Trust's assets and income to resolve Channeled Asbestos Claims in accordance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures in such a way that holders of Channeled Asbestos Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and shall otherwise comply in all respects with the requirements of a trust set forth in section 524(g)(2)(B) of the Bankruptcy Code. On the Effective Date, all right, title, and interest in and to the Asbestos Trust Assets, and any proceeds thereof, will be transferred to, and indefeasibly vested in, the Asbestos Trust, free and clear of all Claims, Demands, Equity Interests, Encumbrances, and other interests of any Entity, without any further action of the Bankruptcy Court or any Entity, but subject to Section 8.5 of the Plan and the remaining provisions of Section 8.3 of the Plan.

(b) Transfer of the Asbestos Insurance Rights.[7] On the Effective Date, by virtue of Confirmation, without further notice, action, or deed, the Asbestos Insurance Rights shall be

[6] "Asbestos Trust Assets" is defined in the Plan to mean (a) the Asbestos Trust Contribution; (b) the Asbestos Insurance Rights; (c) all other assets, rights (including Causes of Action), and benefits assigned, transferred or conveyed to the Asbestos Trust in connection with the Plan or any Plan Documents; and (d) all proceeds of the foregoing.

[7] "Asbestos Insurance Rights" is defined in the Plan to mean any and all of Hopeman's rights, title, privileges, interests, claims, demands, or entitlements in or to any insurance coverage, defense, indemnity, proceeds, payments, escrowed funds, initial or supplemental dividends, scheme payments, supplemental scheme payments, state guaranty fund payments, causes of action, and choses in action under, for, or related to (i) the Asbestos Insurance Settlements, (ii) the Asbestos Insurance Policies, or (iii) the Asbestos CIP Agreements, whether now existing or hereafter arising, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, disputed or undisputed, fixed or contingent, including:

automatically transferred to, and indefeasibly vested in, the Asbestos Trust, and the Asbestos Trust shall thereby become the estate representative pursuant to sections 1123(a)(5) and 1123(b)(3)(B) of the Bankruptcy Code, with the exclusive right to enforce any and all of the Asbestos Insurance Rights against any Entity, subject to the provisions of Section 8.13 and Section 8.15 of the Plan, and the Proceeds of the recoveries of any such Asbestos Insurance Rights shall be the property of, and shall be deposited in, the Asbestos Trust. The Asbestos Insurance Rights shall be indefeasibly vested in the Asbestos Trust free and clear of all Claims, Demands, Equity Interests, Encumbrances, and other interests of any Entity.

(c) Authority of the Asbestos Trust. As of the Effective Date, without any further action of the Bankruptcy Court or any Entity, except as otherwise expressly set forth in the Plan, including, without limitation, the rights reserved to HII under Section 8.15, the Asbestos Trust shall be empowered to initiate, prosecute, enforce, sue on, defend, settle, compromise, and resolve (or decline to do any of the foregoing) all claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, related to or arising from any asset, liability, or responsibility of the Asbestos Trust, including any actions arising from or related to the Asbestos Insurance Rights, in any court of competent jurisdiction consistent with applicable law.

(d) Appointment of Asbestos Trustee. On the Confirmation Date, the Bankruptcy Court shall appoint an individual designated by the Committee and the Future Claimants' Representative to serve as the initial Asbestos Trustee. The designated individual will be identified in the Asbestos Trust Agreement and appointed pursuant to the Confirmation Order. Such appointment shall be effective as of the Effective Date. The individual to serve as the initial Asbestos Trustee will be identified in the Plan Supplement. All subsequent Asbestos Trustees shall be appointed in accordance with the terms of the Asbestos Trust Agreement. For purposes of

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(a) any and all rights of Hopeman to pursue or receive payment, reimbursement, or proceeds under any Asbestos Insurance Policy or any Asbestos CIP Agreement, whether for indemnity, liability, defense costs, or otherwise;

(b) the remaining balance of any proceeds of any and all payments received by Hopeman on account of an Asbestos Insurance Policy or Asbestos CIP Agreement at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(c) any and all rights of Hopeman to pursue or receive payments from any insolvent Asbestos Insurer, whether in receivership, liquidation, rehabilitation, runoff, or scheme of arrangement, or any other form of proceeding, or from any insolvent Asbestos Insurer's estate, and the remaining balance of any proceeds of all payments received by Hopeman from any such Asbestos Insurer or such insolvent insurer's estate, at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(d) any and all rights of Hopeman to pursue or receive payments with respect to Asbestos Personal Injury Claims from any insurance guaranty association;

(e) any and all rights of Hopeman to pursue or receive payment to any exception to a workers' compensation exclusion in any Asbestos Insurance Policy; provided, however, that Asbestos Insurance Rights shall not include any rights or obligations under any insurance policy, settlement agreement, or coverage in-place agreement to which any Asbestos Insurer is a party to the extent, but only to the extent, that such rights or obligations pertain solely to coverage for Worker Compensation Claims; and

(f) any and all Extracontractual Claims, and any and all rights of Hopeman to pursue or receive payments or recoveries on account thereof.

performing the duties and fulfilling the obligations under the Asbestos Trust Agreement and the Plan, the Asbestos Trustee shall be deemed to be a party in interest within the meaning of section 1109(b) of the Bankruptcy Code.

(e) Appointment of Delaware Trustee. [Wilmington Trust, N.A.] has been selected by agreement of the Committee and the Future Claimants' Representative to serve as the initial Delaware Trustee and will be identified in the Asbestos Trust Agreement and appointed pursuant to the Confirmation Order. All subsequent Delaware Trustees shall be appointed in accordance with the terms of the Asbestos Trust Agreement.

(f) Appointment of Post-Effective Date Future Claimants' Representative. On the Effective Date, the individual to be identified in the Plan Supplement shall be appointed, pursuant to the Plan, the Confirmation Order, and the Asbestos Trust Agreement, to serve as the Future Claimants' Representative on and after the Effective Date. Such Future Claimants' Representative shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Asbestos Trust Agreement. In addition to the foregoing, such Future Claimants' Representative also may, at her option, participate in any: (1) appeal of the Confirmation Order; (2) hearing on a Professional Fee Claim; and (3) adversary proceeding pending on the Effective Date to which the Future Claimants' Representative was a party. Successor Future Claimants' Representatives will be appointed as provided in the Asbestos Trust Agreement.

(g) Appointment of Asbestos Trust Advisory Committee. Not later than ten (10) calendar days prior to the Confirmation Hearing, the Committee shall nominate six (6) individuals to serve as the initial members of the Asbestos Trust Advisory Committee. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial members of the Asbestos Trust Advisory Committee. The Asbestos Trust Advisory Committee shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Asbestos Trust Agreement. Successor members of the Asbestos Trust Advisory Committee will be appointed as provided in the Asbestos Trust Agreement.

(h) Transfer of Claims and Demands to the Asbestos Trust. ***On the Effective Date, in consideration for the property transferred to the Asbestos Trust, and except as provided in Section 8.12, Section 8.13, and Section 8.15 of the Plan, all Channeled Asbestos Claims shall be transferred and channeled to, and assumed by, the Asbestos Trust pursuant to the Asbestos Permanent Channeling Injunction, and shall be resolved, liquidated, and (if eligible for payment) paid in accordance with the Asbestos Trust Agreement, the Asbestos Trust Distribution Procedures, and any other Asbestos Trust Document***. The Asbestos Trust shall have no liability for any Claims other than Channeled Asbestos Claims and Asbestos Trust Expenses, and no Claims other than Channeled Asbestos Claims and Asbestos Trust Expenses shall be transferred and channeled to, or assumed by, the Asbestos Trust. Notwithstanding the Asbestos Trust's assumption of liability and responsibility for Channeled Asbestos Claims, such assumption shall not itself operate or be construed as a release, accord and satisfaction, mutual rescission, or novation of Hopeman's obligations on account of such Claims for purposes of any Asbestos Insurance Rights solely to the extent of actions or suits against Reorganized Hopeman directly in accordance with Section 8.12 of the Plan (subject, however, to the discharge of any "personal liability" of Hopeman

as that term is used in section 524(a) of the Bankruptcy Code and as provided in Article X of the Plan).

(i) Transfer of Rights and Defenses Related to Channeled Asbestos Claims. On the Effective Date, all claims, defenses, rights and Causes of Action of Hopeman arising from or related to Channeled Asbestos Claims shall be transferred and assigned to the Asbestos Trust. In accordance with section 1123(b) of the Bankruptcy Code, the Asbestos Trust shall retain and may enforce such claims, defenses, rights, and Causes of Action relating to Channeled Asbestos Claims in any court of competent jurisdiction against any Entity other than a Protected Party, and shall retain and may enforce all defenses and counterclaims to all Asbestos Claims or Demands asserted against the Asbestos Trust, including setoff, recoupment, and any rights under section 502(d) of the Bankruptcy Code. The Asbestos Trust shall be deemed to be the appointed representative of Hopeman and Reorganized Hopeman, and may, pursue, litigate, compromise, and settle any rights, claims, or Causes of Action transferred to it, as appropriate.

(j) Release. As a condition to making any payment to a Channeled Asbestos Claimant, the Asbestos Trust shall obtain from that holder a release in the form of the Asbestos Personal Injury Claimant Release.

(k) Consideration for Asbestos Permanent Channeling Injunction. The assignment, transfer, and conveyance of the Asbestos Trust Assets to the Asbestos Trust on the Effective Date supports the imposition of the Asbestos Permanent Channeling Injunction in favor of all Protected Parties as of the Effective Date.

(l) Books and Records. On the Effective Date, Hopeman shall transfer to Reorganized Hopeman all of Hopeman's books and records (including electronic records) necessary for the Asbestos Trust to investigate and resolve Channeled Asbestos Claims in accordance with Section 8.3 and Section 8.16 of the Plan, the Asbestos Trust Agreement and Asbestos Trust Distribution Procedures, including the books and records presently stored in Hopeman's warehouse in Waynesboro, Virginia, and in or in storage near the offices of Hopeman's prepetition claims administrator Special Claim Services, Inc. Notwithstanding anything to the contrary herein, holders of Channeled Asbestos Claims may pursue and obtain information stored in Hopeman's books and records (including electronic records) through discovery to the full extent permitted by applicable law. For the avoidance of doubt, privileges belonging to Hopeman on the Petition Date in such books and records shall belong to Reorganized Hopeman as of the Effective Date, and the Asbestos Trust's access to such books and records shall not result in the destruction or waiver of any applicable privileges pertaining to such books and records.

(m) Institution and Maintenance of Legal and Other Proceedings. From and after the Effective Date, the Asbestos Trust shall be empowered and entitled, in its sole and absolute discretion and at its own expense, to pursue, compromise, or settle all legal actions and other proceedings related to any asset, liability, or responsibility of the Asbestos Trust that is not released pursuant to the Plan.

(n) Asbestos Trust Expenses. The Asbestos Trust shall pay all Asbestos Trust Expenses from the Asbestos Trust Assets. The Plan Proponents, Hopeman's Estate, Reorganized Hopeman, the Protected Parties, and any of them, shall not have any obligation to pay any Asbestos

Trust Expenses or any other liabilities of the Asbestos Trust. The Asbestos Trust shall promptly pay all Asbestos Trust Expenses incurred by Reorganized Hopeman for any liabilities, costs, or expenses as a result of taking any action on behalf of, and at the direction of, the Asbestos Trust.

(o) Indemnification. The Asbestos Trust shall, pursuant to the terms of the Asbestos Trust Agreement, indemnify and hold harmless the Protected Parties for any liability or alleged liability arising out of, or resulting from, or attributable to, a Channeled Asbestos Claim, including fines and penalties resulting from the Asbestos Trust's failure to comply with Section 8.14 of the Plan or the Asbestos Trust Agreement. Indemnification claims arising under Section 8.3(o) of the Plan will not be subject to the Asbestos Trust Distribution Procedures.

(p) Investment Policy. Pursuant to the Asbestos Trust Agreement, all monies held in the Asbestos Trust shall be invested, subject to the investment limitations and provisions enumerated in the Asbestos Trust Agreement and shall not be limited to the types of investments described in section 345 of the Bankruptcy Code.

(q) Excess Asbestos Trust Assets. To the extent there are any Asbestos Trust Assets remaining at such time as the Asbestos Trust is dissolved, such excess Asbestos Trust Assets shall be transferred to a charity or charities in which the Asbestos Trustee has no financial interest or other connection for such charitable purposes as the Asbestos Trustee, in his or her reasonable discretion, shall determine, provided that, if practicable, the charity or charities to which such excess Asbestos Trust Assets are transferred shall be related to the treatment of, research on, or the relief of suffering of individuals suffering from asbestos-related disorders.

(r) Dissolution of Asbestos Trust. Upon dissolution of the Asbestos Trust: (1) the Asbestos Trustee, members of the Asbestos Trust Advisory Committee and the Future Claimants' Representative shall be released and discharged from all further authority, duties, responsibilities, and obligations relating to and arising from and in connection with the Chapter 11 Case; and (2) the Asbestos Trust Advisory Committee shall be dissolved.

3. Net Reserve Funds

No later than the Effective Date, Hopeman or Reorganized Hopeman, as applicable, shall either establish a bank account or utilize an existing bank account of Hopeman for the purpose of holding only the Net Reserve Funds. Hopeman, Reorganized Hopeman, or their respective designees, as applicable, shall make any and all disbursements from the Net Reserve Funds that are provided in the Plan. The Net Reserve Funds shall be used for the sole purpose of paying or making Distributions in accordance with the Plan. Any Excess Net Reserve Funds shall be contributed by Reorganized Hopeman to the Asbestos Trust, and that contribution shall be part of the Asbestos Trust Contribution.

Net Reserve Funds shall consist of the lesser of (i) Cash in the amount to be disclosed in the Plan Supplement or (ii) the amount of Cash held by Hopeman as of the Effective Date, to be set aside by Hopeman on the Effective Date for the purpose of paying or making the Distributions contemplated by the Plan with respect to (a) Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Priority Claims, Allowed Secured Claims, and Allowed General Unsecured Claims (including the payment of any interest on any such Claims that may be allowed

under the Plan or required to be paid by the Bankruptcy Code), (b) any fees and expenses of Hopeman, Reorganized Hopeman, the Committee and the Future Claimants' Representative that are payable by Hopeman or Reorganized Hopeman, as applicable, pursuant to the Plan, (c) any fees payable pursuant to section 1930 of title 28 of the United States Code (whether those fees pursuant to section 1930 of title 28 are payable before or after the Effective Date, (d) any other amounts that the Plan provides are to be paid from the Net Reserve Funds, and (e) such amounts as Reorganized Hopeman determines, in the reasonable exercise of its discretion, are or will be sufficient to fully satisfy (as and when due) all franchise taxes and other expenditures that are necessary to maintain its corporate existence in good standing under the laws of the state of its formation or that otherwise are necessary for Reorganized Hopeman to conduct its business after the Effective Date.

Any Excess Net Reserve Funds shall be contributed by Reorganized Hopeman to the Asbestos Trust, and that contribution shall be part of the Asbestos Trust Contribution.

4. Actions Against Reorganized Hopeman or Wayne to Obtain Benefits of Asbestos Insurance Coverage

(a) Except as otherwise permitted under Section 8.16 of the Plan, on and after the Effective Date, a Channeled Asbestos Claimant shall have the right to initiate, commence, continue, or prosecute an action against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust), and, where permitted by applicable nonbankruptcy law, any Non-Settling Asbestos Insurer for Wayne, in a court of competent jurisdiction to obtain the benefit of Asbestos Insurance Coverage.

(b) If a Channeled Asbestos Claimant commences such an action on account of its Channeled Asbestos Claim, the complaint shall name Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or any Non-Settling Asbestos Insurer for Wayne as a defendant and shall be deemed by operation of law to be an action against Reorganized Hopeman or any Non-Settling Asbestos Insurer for Wayne, as applicable. Such an action may be filed in any court where Hopeman was subject to *in personam* jurisdiction as of the Petition Date or any other court of competent jurisdiction. Any such action shall be served on the Asbestos Trust, which shall provide notice of such action, as appropriate, to all Non-Settling Asbestos Insurers. Notwithstanding the foregoing, Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, appear, or otherwise participate in the action in any respect other than as set forth in the Plan and as may be necessary to comply with applicable Asbestos Insurance Cooperation Obligations.

(c) Any liability of Reorganized Hopeman or Wayne to any Entity, including any Channeled Asbestos Claimant or Asbestos Insurer, that is based on, arises from, or is attributable to any action commenced under Section 8.12 of the Plan shall be enforceable only against the Asbestos Insurance Coverage provided by the Non-Settling Asbestos Insurers and not against any other asset, including any other Asbestos Insurance Right, of the Asbestos Trust or Reorganized Hopeman.

5. Actions Against Non-Settling Asbestos Insurers to Obtain Benefits of Asbestos Insurance Coverage

(a) Except as otherwise permitted under Section 8.13 or in Section 8.15 of the Plan, the Asbestos Trust shall have the exclusive right to pursue, monetize, settle, or otherwise obtain the benefit of the Asbestos Insurance Rights, including with respect to any unpaid insurance Proceeds applicable to a judgment or settlement obtained or entered into by a Channeled Asbestos Claimant in accordance with Section 8.12 of the Plan.

(b) If a Channeled Asbestos Claimant has entered into an enforceable settlement agreement with a Non-Settling Asbestos Insurer pertaining to his Channeled Asbestos Claim and such Non-Settling Asbestos Insurer has not timely paid or has refused to pay the amount provided in such settlement, such Channeled Asbestos Claimant may commence a breach-of-contract action or other form of collection action against such Non-Settling Asbestos Insurer to recover the settlement payment owed.

(c) Any Channeled Asbestos Claimant who (1) has obtained a judgment against Reorganized Hopeman or Wayne in accordance with Section 8.12 of the Plan, or (2) has the right under applicable nonbankruptcy law to name, join, or substitute as a defendant an Asbestos Insurer, may, to obtain the benefits of Asbestos Insurance Coverage, commence a judgment-enforcement action or a direct action against the relevant Non-Settling Asbestos Insurer ("**Insurance Policy Action**") in accordance with the terms of Section 8.13 of the Plan, subject to the following conditions:

(i) If any Non-Settling Asbestos Insurer against whom an Insurance Policy Action is brought asserts as a defense that it would have a claim as a result of contribution rights against one or more Settled Asbestos Insurers with respect to the Channeled Asbestos Claimant's claim that it could have asserted but for the Asbestos Permanent Channeling Injunction ("**Contribution Claim**"), the liability, if any, of the Non-Settling Asbestos Insurer to the Channeled Asbestos Claimant shall be reduced dollar-for-dollar by the amount, if any, of any judgment establishing the Contribution Claim in accordance with Section 8.13 of the Plan.

(ii) In determining the amount of any Contribution Claim that operates to reduce the liability of a Non-Settling Asbestos Insurer in any Insurance Policy Action, the Channeled Asbestos Claimant may assert the legal or equitable rights or defenses, if any, of the Settled Asbestos Insurers with respect to such Contribution Claims, and for purposes of Section 8.13(c)(ii) of the Plan, all Settled Asbestos Insurers, in exchange for their status as a Protected Party and for receiving the benefits of the Asbestos Permanent Channeling Injunction, shall be deemed to have transferred or assigned such legal or equitable rights or defenses to Channeled Asbestos Claimants; *provided* that the Channeled Asbestos Claimant shall not be permitted to argue that any Contribution Claims are not properly asserted against the Channeled Asbestos Claimant or that the Asbestos Permanent Channeling Injunction bars or affects in any way such Contribution Claims in connection with the Channeled Asbestos Claimant's claim against the Non-Settling Asbestos Insurer.

(iii) If a court reduces the amount of liability of a Non-Settling Asbestos Insurer in an Insurance Policy Action based on the share attributable to a Settled Asbestos Insurer consistent with Section 8.13 of the Plan, the Channeled Asbestos Claimant whose judgment has been reduced may seek payment from the Asbestos Trust for all or a portion of the amount of the judgment reduction attributable to the Settled Asbestos Insurer's share, but only as permitted by and in accordance with the Asbestos Trust Distribution Procedures.

(iv) If the Asbestos Trust enters into an Asbestos Insurance Settlement with an Asbestos Insurer that is a party to a pending Insurance Policy Action, and if such Asbestos Insurance Settlement is approved by the Bankruptcy Court, the Channeled Asbestos Claimant pursuing such Insurance Policy Action shall (I) be deemed to release any rights transferred to it via the Trust Transfer, without further notice or action by any Entity, and (II) terminate its Insurance Policy Action with respect to that Asbestos Insurer. The Channeled Asbestos Claimant shall have the right to submit an Uninsured Asbestos Claim to the Asbestos Trust for payment in accordance with, and as permitted by, the Asbestos Trust Distribution Procedures, as set forth in Section 8.16 of the Plan.

(v) The Asbestos Trust may seek to intervene in any Insurance Policy Action at any time. A Channeled Asbestos Claimant pursuing an Insurance Policy Action shall not object to or oppose any request or motion of the Asbestos Trust to intervene in such Insurance Policy Action. For purposes of establishing the grounds in favor of the Asbestos Trust's request or motion to intervene, the Confirmation Order shall include the following finding of the Bankruptcy Court: The Asbestos Trust shall have, and is deemed to have, an interest relating to the Asbestos Insurance Coverage that is the subject of any Insurance Policy Action, and shall be, and is deemed to be, so situated that disposing of the Insurance Policy Action may, as a practical matter, impair or impede the Asbestos Trust's ability to protect its interest, and no party to the Insurance Policy Action can adequately represent that interest.

(d) In addition to the rights and remedies set forth in Section 8.13 of the Plan, on and after the Effective Date, Channeled Asbestos Claimants may, only to the extent permitted or provided under applicable nonbankruptcy law, bring such Insurance Policy Actions against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to potential liability of any Designated Person, subject to the terms and conditions set forth in Section 8.13(c) of the Plan. For the avoidance of doubt, no Designated Person shall be named as a defendant in any such Insurance Policy Actions.

(e) If a Channeled Asbestos Claimant intends to pursue an Extracontractual Claim against a Non-Settling Asbestos Insurer, the Channeled Asbestos Claimant shall send written notice to the Asbestos Trust, requesting the Asbestos Trust's leave to pursue such

Extracontractual Claim.[8] Within fourteen (14) calendar days after receiving the Channeled Asbestos Claimant's request, the Asbestos Trust shall respond in writing that it is either granting or denying the Channeled Asbestos Claimant's request.

(i) The Asbestos Trust's notice to the Channeled Asbestos Claimant of its decision to grant the Channeled Asbestos Claimant's request to pursue an Extracontractual Claim shall legally operate as, or shall effect, to the extent permitted or authorized by applicable nonbankruptcy law and without further notice or action by any Entity, a transfer to the Channeled Asbestos Claimant of the Asbestos Trust's rights to pursue such Extracontractual Claim ("**Trust Transfer**"). The Channeled Asbestos Claimant shall thereupon have standing and authority to pursue, settle, or resolve such Extracontractual Claim within his or her absolute discretion, subject to the terms set forth in Section 8.13 of the Plan.

(ii) The Asbestos Trust may deny a Channeled Asbestos Claimant's request for leave to pursue an Extracontractual Claim if (I) the Asbestos Trust has determined that it is not able or permitted under applicable nonbankruptcy law to transfer or assign the Extracontractual Claim to the requesting Channeled Asbestos Claimant; (II) the Asbestos Trust intends, within ninety (90) calendar days after receiving the Channeled Asbestos Claimant's request, to commence litigation (or arbitration, to the extent required by the applicable Asbestos Insurance Policy or Asbestos CIP Agreement) against the relevant Non-Settling Asbestos Insurer with respect to the Channeled Asbestos Claimant's claim; or (III) the Asbestos Trust has already commenced such litigation or arbitration, which is pending or has been resolved. Such litigation commenced by the Asbestos Trust may include, or pertain to, multiple other Channeled Asbestos Claims or seek a declaration of rights generally with respect to the Non-Settling Asbestos Insurers' obligations in connection with Channeled Asbestos Claims.

6. No Actions Against Released Parties

In any action pursued in accordance with Section 8.12 or Section 8.13 of the Plan, Channeled Asbestos Claimants shall not name any Released Party as a defendant, or promptly shall dismiss from such action any Released Party previously named as a defendant. The Asbestos Trust shall indemnify any Released Party to the extent such Released Party is named as a defendant in such an action, and the Trust shall take all steps reasonably necessary to have any Released Party named in such an action dismissed from such action, including seeking relief from the Bankruptcy Court to enforce the terms of the Plan.

[8] "Extracontractual Claim" is defined in the Plan to mean any claim against an Asbestos Insurer for "bad faith," extracontractual, or tort liability that is based on, arises from, or is attributable to an Asbestos Insurance Policy or Asbestos CIP Agreement.

7. Special Provisions Pertaining to HII

Notwithstanding any provision of the Plan or any other Plan Document to the contrary, on and after the Effective Date, HII may, (a) to the extent it is the holder of one or more Asbestos Indirect Claims and (b) only to the extent permitted or provided under applicable nonbankruptcy law, file claims, crossclaims, or third-party demands in a court of competent jurisdiction (including in any state court lawsuits) against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne, or pursue direct actions against any Non-Settling Asbestos Insurer of Hopeman or Wayne, including to bring an action against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to the potential liability of any Designated Person. For the avoidance of doubt, such Designated Persons will not be named as defendants in any such actions. Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, reply, appear, or otherwise participate in any action in which HII has filed a claim, crossclaim, third-party demand, or in any such direct action, other than as necessary to maintain coverage under the Asbestos Insurance Policies. Any judgment that may be obtained in connection with such a claim, crossclaim, third-party demand, or direct action cannot be enforced against the assets of Reorganized Hopeman or the Asbestos Trust, other than from the Asbestos Insurance Coverage. To the extent Hopeman's Asbestos Insurance Rights become subject to Asbestos Insurance Settlements and such Asbestos Insurance Rights are liquidated by the Trust, HII may submit Asbestos Indirect Claims to the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures. For the avoidance of doubt, the foregoing in no way limits HII's ability to seek payment or any other form of relief that may be made available according to the provisions contained within the Asbestos Trust Distribution Procedures, the Plan, or any other Plan Document. For the further avoidance of doubt, HII need not execute an Asbestos Personal Injury Claimant Release to obtain the benefits of Section 8.15 of the Plan. Notwithstanding any provision of the Asbestos Trust Distribution Procedures, the Plan or any other Plan Document to the contrary, the rights contained within Section 8.15 of the Plan may not be impaired, impeded, abridged, or otherwise modified at any time (whether before or after entry of the Confirmation Order) without the prior written consent of HII; *provided, however*, that the foregoing shall not be construed to vest HII with consent or veto rights as to a proposed Asbestos Insurance Settlement described in Section 8.17 of the Plan, or to override, expand, or otherwise modify HII's consultation rights granted under Section 8.17 of the Plan.

8. Payments or Distributions from the Asbestos Trust

The sole and exclusive source of payment or recovery of a Channeled Asbestos Claimant on account of his Channeled Asbestos Claim shall be the Asbestos Insurance Coverage applicable to such Channeled Asbestos Claim, as provided in Section 8.12, Section 8.13, and Section 8.15 of the Plan, unless the Channeled Asbestos Claim (a) is an Uninsured Asbestos Claim, or (b) becomes an Uninsured Asbestos Claim before the Channeled Asbestos Claimant receives payment in full of any judgment obtained against Reorganized Hopeman or the Non-Settling Asbestos Insurer, or settlement reached with a Non-Settling Asbestos Insurer, in accordance with Section 8.12, Section 8.13, or Section 8.15 of the Plan. A Channeled Asbestos Claim shall become an Uninsured Asbestos Claim when (i) the Asbestos Trust has settled, in accordance with an Asbestos Insurance Settlement, all rights to the Asbestos Insurance Coverage applicable to the Channeled Asbestos Claim, or (ii) any Asbestos Insurance Coverage that otherwise may be applicable to such Channeled Asbestos Claim becomes unavailable due to

exhaustion of the relevant Asbestos Insurance Coverage or due to a Final Order ruling on a coverage issue or defense, in which event such Channeled Asbestos Claimant may seek payment or distribution on account of his Channeled Asbestos Claim from the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures. Any treatment of a Channeled Asbestos Claim that is partially an Insured Asbestos Claim and partially an Uninsured Asbestos Claim shall be set forth in the Asbestos Trust Distribution Procedures. Notwithstanding any provision in the Plan or any other Plan Document to the contrary, a Channeled Asbestos Claimant shall not be entitled to receive a payment or distribution on account of his Channeled Asbestos Claim from the Asbestos Trust unless and until his Channeled Asbestos Claim is eligible for payment or distribution from the Asbestos Trust under the Asbestos Trust Distribution Procedures.

9. Settlements with Non-Settling Asbestos Insurers After the Effective Date

The Asbestos Trust shall have authority to enter into an Asbestos Insurance Settlement with any Asbestos Insurer on or after the Effective Date, but such Asbestos Insurance Settlement shall not be valid or enforceable unless and until (a) the Asbestos Trust Advisory Committee and the Future Claimants' Representative have consented to such Asbestos Insurance Settlement and determined in writing that such Asbestos Insurance Settlement is fair, reasonable, and sufficiently comprehensive to warrant that such Asbestos Insurer receive the protections of a Settled Asbestos Insurer under the Asbestos Permanent Channeling Injunction, any other applicable Plan Injunction, and section 524(g) of the Bankruptcy Code; (b) the Asbestos Trust has consulted with HII about the terms of such Asbestos Insurance Settlement prior to its submission to the Bankruptcy Court for approval, as provided herein; and (c) the Bankruptcy Court approves such Asbestos Insurance Settlement after notice to all parties directly affected by such Asbestos Insurance Settlement and a hearing thereon. To the extent necessary, the Asbestos Trust shall be allowed to seek to reopen the Chapter 11 Case to obtain the Bankruptcy Court's approval of any such settlement for good cause shown in accordance with section 350(b) of the Bankruptcy Code.

10. Insurance Neutrality

Nothing in the Plan, the Plan Documents, the Confirmation Order, any finding of fact and/or conclusion of law with respect to the confirmation of the Plan, or any order or opinion entered on appeal from the Confirmation Order shall limit the right of any insurer to assert any coverage defense; *provided*, *however*, that (a) the transfer of rights in and under the Asbestos Insurance Rights to the Asbestos Trust is valid and enforceable and transfers such rights under the Asbestos Insurance Rights as Hopeman or Reorganized Hopeman may have, and that such transfer shall not affect the liability of any insurer, and (b) the discharge and release of Hopeman and Reorganized Hopeman from all Claims and the injunctive protection provided to Hopeman, Reorganized Hopeman, and the Protected Parties with respect to Claims as provided herein shall not affect the liability of any insurer, except to the extent that any such insurer is a Settled Asbestos Insurer. Notwithstanding anything in Section 8.18 of the Plan to the contrary, nothing in Section 8.18 shall affect or limit, or be construed as affecting or limiting, (1) the binding effect of the Plan and the Confirmation Order on Hopeman, Reorganized Hopeman, the Asbestos Trust, or the beneficiaries of the Asbestos Trust or (2) the protection afforded to any Settled Asbestos Insurer by the Asbestos Permanent Channeling Injunction. Further, nothing in Section 8.18 is intended or shall be construed to preclude otherwise applicable principles of res judicata or collateral estoppel

from being applied against any insurer with respect to any issue that is actually litigated by such insurer as part of its objections to confirmation of the Plan.

11. Reorganized Hopeman Common Stock

On the Effective Date, all of the existing Equity Interests in Hopeman shall be cancelled, annulled, and extinguished, and 100% of the Reorganized Hopeman Common Stock shall be authorized and issued to the Asbestos Trust.

12. Corporate Governance of Reorganized Hopeman

On the Effective Date, (a) the current officers and directors of Hopeman shall be deemed to resign from their respective positions by operation of the Plan and (b) the individual(s) identified in a notice to be filed jointly by the Committee and the Future Claimants' Representative no later than two (2) days prior to the deadline established to accept or reject the Plan shall be appointed to serve as the officers and as the director of Reorganized Hopeman.

13. Restructuring Transactions and Continued Corporate Existence of Reorganized Hopeman

On or after the Confirmation Date, the Hopeman or Reorganized Hopeman may take such actions as Hopeman or Reorganized Hopeman determines to be necessary or appropriate to effectuate, implement and consummate the Restructuring Transactions set forth on Exhibit F to the Plan.

Except as otherwise provided in the Plan (and subject to the Restructuring Transactions), Hopeman will, as a reorganized debtor, continue to exist after the Effective Date as a separate corporate or other legal Entity, with all powers of a corporation or other legal Entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution or otherwise) under applicable state law. On and after the Effective Date, Reorganized Hopeman may operate its business and may use, acquire and dispose of property and compromise or settle any Claims without supervision or approval of the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or Confirmation Order.

G. Effect of Confirmation

1. Dissolution of Committee; Discharge of the Future Claimants' Representative

Effective on the Effective Date, the Committee shall be dissolved automatically, whereupon its members, Professionals, and agents shall be released and discharged from any further authority, duties, obligations and responsibilities in the Chapter 11 Case and under the Bankruptcy Code.

Effective as of the dissolution of the Committee, the Asbestos Trust Advisory Committee shall succeed to, and exclusively hold, the attorney-client privilege and any other privilege held by the Committee and shall enjoy the work product protections that were applicable or available to the Committee before its dissolution.

Effective on the Effective Date, the Future Claimants' Representative shall be discharged from her duties in such capacity, whereupon the Future Claimants' Representative and her Professionals and agents shall be released and discharged from any further authority, duties, obligations and responsibilities in the Chapter 11 Case and under the Bankruptcy Code.

2. Vesting of Assets

Pursuant to section 1141(b) of the Bankruptcy Code, except as otherwise provided in the Plan, the Plan Documents or the Confirmation Order, the property of the Estate of Hopeman (except for the Asbestos Trust Contribution and any other property of Hopeman distributed pursuant to the Plan) shall vest in Reorganized Hopeman on the Effective Date free and clear of any and all Liens, Claims, Encumbrances and other interests of any Entity. From and after the Effective Date, Reorganized Hopeman may operate its business and may use, acquire, and dispose of property free of any restrictions imposed under or by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court.

3. Preservation of Certain Causes of Action, Rights to Settle Claims and Compromise Controversies, and Defenses

With the exception of those claims and rights transferred to the Asbestos Trust, including Causes of Action, pursuant to Section 8.3 of the Plan or released pursuant to Article X of the Plan, in accordance with section 1123(b) of the Bankruptcy Code, Reorganized Hopeman, as successor in interest to Hopeman and its Estate, shall retain and may initiate, prosecute, enforce, sue on, settle, compromise, or resolve (or decline to do any of the foregoing), all claims, rights, causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, accruing to, or that are property of, Hopeman and its Estate, pursuant to the Bankruptcy Code or any statute or legal theory, including any rights to, claims, or causes of action for, recovery under any policies of insurance issued to or on behalf of Hopeman other than the Asbestos Insurance Rights, in any court of competent jurisdiction consistent with applicable law.

4. Terms of Injunction and Automatic Stay

With the exception of the stay provided in the Bankruptcy Court's *Third Interim Order Extending the Automatic Stay to Asbestos-Related Actions Against Non-Debtor Defendants* [Docket No. 622] that will (unless extended) expire on the earlier of June 30, 2025, or the Effective Date, all of the injunctions and/or stays in existence immediately prior to the Confirmation Date provided for in or in connection with the Chapter 11 Case, whether pursuant to section 105, 362, or any other provision of the Bankruptcy Code, the Bankruptcy Rules or other applicable law, shall remain in full force and effect until the injunctions set forth in the Plan become effective pursuant to a Final Order, and shall continue to remain in full force and effect thereafter as and to the extent provided by the Plan, the Confirmation Order, or by their own terms. For the avoidance of doubt, upon effectiveness of the injunctions set forth in the Plan, the automatic stay imposed by section 362 of the Bankruptcy Code shall be terminated. In addition, on and after the Confirmation Date, Reorganized Hopeman may seek such further orders as it may deem necessary or appropriate to preserve the status quo during the time between the Confirmation Date and the Effective Date.

Each of the injunctions contained in the Plan or the Confirmation Order shall become effective on the Effective Date and shall continue in effect thereafter unless otherwise provided in the Plan or the Confirmation Order.

5. No Liability for Certain Tax Claims

Unless a taxing authority has properly asserted a Claim against Hopeman on or before the Prepetition Non-Asbestos Claims Bar Dates, no Claim of that taxing authority shall be Allowed against Hopeman or Reorganized Hopeman for taxes, penalties, interest, additions to tax, or other charges arising out of the failure, if any, of Hopeman or any other Entity to have paid tax or to have filed any tax return (including, but not limited to, any income tax return or franchise tax return) in or for any prior year or arising out of an audit of any return for a period before the Petition Date.

6. No Successor Liability

Except as otherwise expressly provided in the Plan, Hopeman, Reorganized Hopeman, the other Protected Parties, and the Asbestos Trust do not, nor shall they be deemed to, assume, agree to perform, pay, or indemnify creditors for any liabilities or obligations of Hopeman relating to or arising out of the operations of, or assets of, Hopeman whether arising prior to or resulting from actions, events, or circumstances occurring or existing at any time prior to the Confirmation Date. None of Reorganized Hopeman, the other Protected Parties, or the Asbestos Trust is, or shall be, a successor to Hopeman by reason of any theory of law or equity, and none shall have any successor or transferee liability of any kind or character, except that Reorganized Hopeman and the Asbestos Trust shall assume the obligations specified expressly in the Plan and the Confirmation Order.

H. Exculpation, Injunctions, Releases and Settlement

1. Exculpation

From and after the Petition Date through the Effective Date, and with the exception of claims related to any act or omission that is determined in a Final Order to have constituted gross negligence, knowing and intentional fraud, or willful misconduct, none of the Exculpated Parties shall have or incur any liability to any Entity for any act or omission in connection with, related to, or arising out of: (a) the Chapter 11 Case; (b) negotiation, formulation and preparation of the Plan and the other Plan Documents, and any of the terms and/or settlements and compromises reflected in the Plan and the other Plan Documents; (c) pursuit of confirmation of the Plan; (d) consummation of the Plan, or administration of the Plan or the property to be distributed under the Plan or the Asbestos Trust Distribution Procedures; or (e) the releases and injunctions contained in the Plan. Without limiting the generality of the foregoing, the Exculpated Parties shall be entitled to and granted the protections and benefits of section 1125(e) of the Bankruptcy Code.

2. Discharge of Hopeman and Reorganized Hopeman

Except as specifically provided in the Plan, any of the other Plan Documents, or the Confirmation Order, pursuant to sections 524 and 1141(d)(1)(A) of the Bankruptcy Code, confirmation of the Plan shall discharge Hopeman and Reorganized Hopeman on the

Effective Date from any and all Claims and Demands of any nature whatsoever, including, without limitation, all Claims, including, to the fullest extent permitted by law, Channeled Asbestos Claims, and liabilities that arose before the Confirmation Date and all debts of the kind specified in sections 502(g), 502(h) and 502(i) of the Bankruptcy Code whether or not: (a) a Proof of Claim based on such Claim was filed under section 501 of the Bankruptcy Code, or such Claim was listed on any of Hopeman's Schedules; (b) such Claim is or was allowed under section 502 of the Bankruptcy Code; or (c) the holder of such Claim has voted on or accepted the Plan. Except as otherwise specifically provided for in the Plan, as of the Effective Date, the rights provided in the Plan to holders of Claims, Demands and Equity Interests shall be in exchange for and in complete satisfaction, settlement and discharge of all Claims (including, to the fullest extent permitted by law, Asbestos Claims and Demands) against, Liens on, and Equity Interests in Hopeman, Reorganized Hopeman, and all of their respective assets and properties.

3. Hopeman Discharge Injunction

Except as specifically provided in the Plan (including Section 8.12, Section 8.13, Section 8.15, and Section 8.16 of the Plan), any of the other Plan Documents, or the Confirmation Order, all Entities who have held, hold, or may hold Claims (including, to the fullest extent permitted by law, Asbestos Claims and Demands) against Hopeman are permanently enjoined, on and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceeding of any kind against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand, other than to enforce any right to a Distribution pursuant to the Plan or any other right provided under the Plan; (b) enforcing, attaching, collecting, or recovering by any manner or means of any judgment, award, decree, or order against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand; (c) creating, perfecting, or enforcing any Encumbrance of any kind against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due to Hopeman or against the property or interests in property of Hopeman, with respect to such Claim or Demand; and/or (e) commencing or continuing any action, in any manner, against Hopeman, Reorganized Hopeman, or their respective property that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order. The foregoing injunction shall extend to the successors of Hopeman (including, without limitation, Reorganized Hopeman) and their respective properties and interests in property. The discharge provided in this provision shall void any judgment obtained against Hopeman at any time, to the extent that such judgment relates to a discharged Claim or Demand.

4. Asbestos Permanent Channeling Injunction

Pursuant to sections 105(a) and 524(g) of the Bankruptcy Code, and except as otherwise provided in the Plan (including Article VIII of the Plan), any of the other Plan Documents, and the Confirmation Order, the Confirmation Order shall provide for the issuance of the following injunction to take effect upon the occurrence of the Effective Date:

(a) ***Scope of Injunction*. All Entities that have held or asserted, or hold or assert, or may hold or assert in the future any Channeled Asbestos Claim shall be**

permanently stayed, restrained, and enjoined from taking any action for the purpose of directly, indirectly, or derivatively collecting, recovering, or receiving payment, satisfaction, or recovery on account of any such Channeled Asbestos Claim, including:

(i) commencing, conducting, or continuing in any manner, directly, indirectly, or derivatively, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum against or affecting any Protected Party or any property or interest in property of any Protected Party;

(ii) enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Protected Party or any property or interest in property of any Protected Party;

(iii) creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Encumbrance against any Protected Party or any property or interest in property of any Protected Party;

(iv) setting off, seeking reimbursement of, contribution from, or subrogation against, or otherwise recouping in any manner, directly or indirectly, any amount against any liability owed to any Protected Party or any property or interest in property of any Protected Party; and

(v) proceeding in any manner and in any place with regard to any matter that is within the scope of the matters designated by the Plan to be subject to resolution by the Asbestos Trust, except in conformity and compliance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures.

(b) ***Reservations*. Notwithstanding anything to the contrary above, this Asbestos Permanent Channeling Injunction shall not stay, restrain, bar, or enjoin:**

(i) the rights of Entities to the treatment accorded them under Article IV of the Plan, as applicable, including the rights of Channeled Asbestos Claimants to have their Channeled Asbestos Claims resolved in accordance with the Asbestos Trust Distribution Procedures;

(ii) the rights of Entities to assert any Channeled Asbestos Claim against the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures, or any claim for payment of an Asbestos Trust Expense against the Asbestos Trust;

(iii) the rights of Channeled Asbestos Claimants to assert any and all claims or causes of action against any Entities that are not Protected Parties;

(iv) the rights of the Asbestos Trust or, if applicable, Reorganized Hopeman to prosecute a claim or cause of action based on, arising from, or attributable to any of the Asbestos Trust Assets against any Entity that is not a Protected Party;

(v) any action or suit against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne that strictly conforms to the requirements of Section 8.12 of the Plan.

(vi) any action, suit, or Claimant Action permitted or authorized under Section 8.13 of the Plan against any Non-Settling Asbestos Insurer; or

(vii) any claim, crossclaim, or third-party demand in a court of competent jurisdiction (including in any state court lawsuits) against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne, or any direct action against any Non-Settling Asbestos Insurer of Hopeman or Wayne, in each case that strictly conforms to the requirements of Section 8.15 of the Plan.

5. Releases by Hopeman and Estate

Except as otherwise expressly provided in the Plan or Confirmation Order, on the Effective Date, for good and valuable consideration, the adequacy of which is confirmed, Hopeman, Reorganized Hopeman, and any Entity seeking to exercise the rights of the Estate, in each case individually and collectively, including any successor to Hopeman or any Estate representative appointed or selected pursuant to the applicable provisions of the Bankruptcy Code, shall, and shall be deemed to, completely and forever release, waive and discharge unconditionally each of the Released Parties, solely in their capacities as such, from any and all claims, obligations, suits, judgments, remedies, damages, Demands, debts, rights, Causes of Action and liabilities that are (or that, at any time on or prior to the Effective Date, were) property of the Estate, whether known or unknown, liquidated or unliquidated, fixed or contingent, foreseen or unforeseen, matured or unmatured, now existing or hereafter arising, in law, equity or otherwise, whether direct, indirect, or derivative, based upon, attributable to, or arising out of, in whole or in part, any act or omission, transaction, or occurrence taking place on or prior to the Effective Date (including prior to the Petition Date); *provided*, *however*, that nothing contained in Section 10.5 of the Plan is intended to operate as a release of liability based upon gross negligence or willful misconduct as determined by a Final Order.

6. Mutual Releases by Releasing Parties in Addition to Protections under the Asbestos Permanent Channeling Injunction

Except as provided in Section 8.13(c) and Section 8.15 of the Plan and in addition to the protections afforded to the Released Parties as Protected Parties under the Asbestos Permanent Channeling Injunction, and in consideration for the obligations of Hopeman and Reorganized Hopeman under the Plan, each Releasing Party and the Asbestos Trust shall waive and release any and all Causes of Action that such holder did commence or could have commenced against any such Released Party that is based upon, attributable to, or arising from any acts or omissions of Released Party occurring prior to the Effective Date in any way attributable to Hopeman, Reorganized Hopeman, the Chapter 11 Case, or the Plan; provided, however, that, notwithstanding the foregoing, no release of the Released Parties shall diminish, reduce, or eliminate the duties of any Asbestos Insurer under any Asbestos Insurance Policy or any Asbestos CIP Agreement.

In exchange for holders of Non-Asbestos Claims or Equity Interests opting in to grant the release provided in Section 10.6 of the Plan, each Released Party shall waive and release any and all Causes of Action that such Released Party did commence or could have commenced against any such holders of Non-Asbestos Claims or Equity Interests that opted-in that is based upon, attributable to, or arising from any acts or omissions of Releasing Parties occurring prior to the Effective Date in any way attributable to Hopeman, Reorganized Hopeman, the Chapter 11 Case, or the Plan; provided, however, that, notwithstanding the foregoing, no Released Party is waiving or releasing any rights or claims under any insurance policies that provide any type of coverage to such Released Party.

Releasing Party means collectively: (a) all holders of Asbestos Claims and (b) all holders of Non-Asbestos Claims or Equity Interests who affirmatively opt in to the releases provided by the Plan by checking the box on the applicable form indicating that they opt in to grant the releases provided in the Plan in accordance with the procedures set forth in the Solicitation Procedures Order.

7. Releases of Avoidance Actions and Estate Causes of Action Against Vendor Released Parties

As of the Effective Date, each of Hopeman, Reorganized Hopeman and the Asbestos Trust hereby fully, finally, and forever releases, relinquishes, and discharges all Avoidance Actions and all other Claims and Causes of Action that it holds against any Vendor Released Parties.

Vendor Released Parties means those Entities listed on Exhibit G to the Plan, each of which is a vendor, including professionals, that provided services to Hopeman prior to the Petition Date.

8. No Actions on Account of Released Claims

Except as provided in Section 8.12 of the Plan, as of the Effective Date, all Releasing Parties that have held, currently hold or may hold any claims, commitments, obligations, suits, judgments, damages, demands, debts, Causes of Action or liabilities that are released pursuant to the Plan shall be permanently enjoined from taking any of the following against a Released Party, or any of its property, on account of such released claims, commitments, obligations, suits, judgments, damages, demands, debts, Causes of Action or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree or order; (iii) creating, perfecting or enforcing any Encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of the Plan.

9. Disallowed Claims

On and after the Effective Date, Hopeman and the Estate shall be fully and finally discharged from any liability or obligation on a Disallowed Claim, and any order creating a Disallowed Claim that is not a Final Order as of the Effective Date solely because of an Entity's

right to move for reconsideration of such order pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3008 shall nevertheless become and be deemed to be a Final Order on the Effective Date. The Confirmation Order, except as otherwise provided therein or herein, shall constitute an order: (a) disallowing all Claims (other than Asbestos Claims) to the extent such Claims are not allowable under any provision of section 502 of the Bankruptcy Code, including, but not limited to, time-barred Claims, and Claims for unmatured interest, and (b) disallowing or subordinating, as the case may be, any Claims, or portions of Claims, for penalties or non-compensatory damages.

10. Compromise and Settlement of Claims and Interests and Approval of Certain Settling Insurers Agreement

Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the Distributions and other benefits provided under the Plan, the provisions of the Plan shall, on the Effective Date, constitute a compromise and settlement of all claims and controversies relating to the rights that a holder of a Claim or Interest may have against Hopeman with respect to any Claim, Interest, or Distribution on account thereof, as well as all potential Causes of Action against Hopeman. To the extent necessary, the entry of the Confirmation Order shall constitute approval of the Certain Settling Insurers Agreement and the settlement contemplated thereby. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval of such compromises and settlements and the Bankruptcy Court's finding that such compromises and settlements are (i) in the best interest of Hopeman, the Estate, and holders of Claims and Interests; and (ii) fair, equitable, and reasonable. Hopeman or Reorganized Hopeman, as applicable, is authorized to take all actions necessary or appropriate to consummate the transactions and settlements contemplated thereby, including by the Certain Settling Insurers Settlement.

I. Executory Contracts and Unexpired Leases

1. General Treatment

As of the Effective Date and except as otherwise provided in the Plan (including with respect to Sections 6.2 and Section 8.3 of the Plan) or in any contract, instrument, release or other agreement or document entered into in connection with the Plan, all Executory Contracts to which Hopeman is a party are hereby rejected, except for any Executory Contract that (a) has previously been rejected pursuant to a Final Order of the Bankruptcy Court, (b) is the subject of a separate rejection motion filed by Hopeman under section 365 of the Bankruptcy Code before the Confirmation Date, (c) is an Asbestos Insurance Policy or Asbestos CIP Agreement, or (d) is a Non-Asbestos Insurance Policy. The Confirmation Order shall constitute the Bankruptcy Court's approval of the rejection of the contracts and leases rejected hereby.

2. Asbestos Insurance Agreements

For the avoidance of doubt, none of the Asbestos Insurance Policies or Asbestos CIP Agreements are being rejected, altered, or otherwise modified pursuant to the Plan, and all parties' respective rights, duties, defenses, obligations, and liabilities thereunder are hereby preserved, except to the extent of an Asbestos Insurance Policy or Asbestos CIP Agreement that is the subject

of and only to the extent contemplated by and provided for in an Asbestos Insurance Settlement and only to the extent approved pursuant to the entry of an order by the Bankruptcy Court or the District Court.

Furthermore, Hopeman does not believe that any of the Asbestos Insurance Policies or Asbestos CIP Agreements constitute Executory Contracts. To the extent any of the Asbestos Insurance Policies or Asbestos CIP Agreements are Executory Contracts, then, notwithstanding anything contained in the Plan to the contrary, the Plan will constitute a motion to assume any such Asbestos Insurance Policy or Asbestos CIP Agreement. Subject to the occurrence of the Effective Date, the entry of the Confirmation Order will constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of Hopeman and its Estate. Unless otherwise determined by the Bankruptcy Court pursuant to a Final Order or agreed to by the parties thereto prior to the Effective Date, no payments are required to cure any defaults of Hopeman existing as of the Confirmation Date with respect to each such Asbestos Insurance Policy or Asbestos CIP Agreement.

For purposes of clarity, while Hopeman also does not believe that any such agreements constitute Executory Contracts, Hopeman is not assuming any prepetition settlement agreement (or any related indemnity obligations thereunder) that do not currently provide rights in favor of Hopeman to continuing coverage or payment of insurance proceeds.

In addition, nothing in the Plan, any Plan Supplement, or any other document related to or made as an exhibit to the Plan is intended to or shall limit the right of any Asbestos Insurer or Non-Asbestos Insurer to assert any insurance coverage defense available under the applicable Asbestos Insurance Policy to any Channeled Asbestos Claim, or the applicable Non-Asbestos Insurance Policy to any non-Channeled Asbestos Claim, as appropriate, asserted against Hopeman or administered by the Asbestos Trust.

3. Bar Date to Rejection Damages

In the event that the rejection of an Executory Contract by Hopeman or Reorganized Hopeman pursuant to the Plan results in damages to the nondebtor party or parties to such Executory Contract, a claim for such damages shall be forever barred and shall not be enforceable against Hopeman, Reorganized Hopeman or any of their respective properties or interests in property, and the nondebtor party or parties to such Executory Contract shall be barred from receiving any Distribution under the Plan on account of such Claim, unless a Proof of Claim with respect to such damages is filed with the Bankruptcy Court and served upon counsel for Hopeman or Reorganized Hopeman, as applicable, on or before (a) if such Executory Contract is rejected pursuant to Section 6.1 of the Plan, thirty (30) days after entry of the Confirmation Order; or (b) if such Executory Contract is rejected pursuant to a Final Order of the Bankruptcy Court granting a motion filed by Hopeman to reject such Executory Contract, thirty (30) days after entry of such order. The notice of the Effective Date to be delivered pursuant to Bankruptcy Rules 2002 and 3020(c) shall set forth the bar date for filing rejection damages claims under Section 6.2 of the Plan and constitute notice thereof.

J. Procedures for Resolving and Treated Disputed Claims Other than Asbestos Claims and Professional Fee Claims

1. Disputed Claims

All Disputed Claims against Hopeman, other than Channeled Asbestos Claims and Professional Fee Claims, shall be subject to the provisions of Article VII of the Plan.

2. Objection to Claims

Except as otherwise provided in the Plan (including Section 4.2 and Section 4.3), Hopeman or Reorganized Hopeman, as the case may be, shall be entitled to file objections to Claims that have been brought in the Bankruptcy Court or should properly have been brought in the Bankruptcy Court but were brought in other forums (other than Channeled Asbestos Claims), on or before the date that is one hundred and twenty (120) days after the Effective Date (unless such day is not a Business Day, in which case such deadline shall be the next Business Day thereafter), as the same may be extended from time to time by the Bankruptcy Court. In addition, Hopeman or Reorganized Hopeman, as the case may be, may before the expiration of such period request that the Bankruptcy Court estimate any contingent or unliquidated Claim (not including any Channeled Asbestos Claim) for any reason pursuant to section 502(c) of the Bankruptcy Code, regardless of whether Hopeman previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate such Claim at any time, including during the pendency of litigation concerning any objection to any Claim or of any appeal relating thereto. Hopeman and Reorganized Hopeman shall be authorized to settle, compromise, withdraw or litigate to judgment such objections without further approval of the Bankruptcy Court.

3. Payments and Distributions with Respect to Disputed Claims

Notwithstanding any other provision of the Plan, no payments or Distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order and the Disputed Claim, or some portion thereof, has become an Allowed Claim.

K. Miscellaneous Provisions

The Plan contains provisions relating to corporate actions, delivery of Distributions, manner of paying Distributions, conditions precedent to confirmation and consummation of the Plan, retention of jurisdiction by the Bankruptcy Court, modifications of the Plan, payment of statutory fees, binding effect of the Plan, compliance with tax requirements, governing law, and timing, among other things. For more information regarding these items, see the Plan annexed hereto.

IX.

Alternatives To The Plan

If the Plan is not confirmed and consummated, the alternatives to the Plan include either (a) a dismissal of this Chapter 11 Case, (b) liquidation of Hopeman under chapter 7 of the Bankruptcy Code, or (c) an alternative chapter 11 plan in accordance with the requirements of chapter 11 of the Bankruptcy Code. As discussed below, the Plan Proponents do not believe that any of these alternatives, even if viable, would afford holders of Claims or Equity Interests a greater recovery than what is provided by the Plan.

A. Dismissal of Hopeman's Chapter 11 Case.

If the Plan cannot be confirmed, Hopeman could elect to dismiss this Chapter 11 Case. Hopeman anticipates that such a dismissal would trigger a "race to the courthouse" among holders of Asbestos Claims, thereby eliminating any likelihood of an equality of distribution among similarly situated holders of Asbestos Claims.

In addition, the cost of defending against such actions would likely exhaust Hopeman's remaining funds in the next twelve to eighteen months and deplete insurance coverage for defense costs that may remain available under the Asbestos Insurance Policies. At this time, Hopeman has a limited amount of funds on hand and no other significant assets except for its rights under the Asbestos Insurance Policies. Hopeman may lack the funds to fully litigate its Asbestos Insurance Rights and other claims and interests arising in connection with its Asbestos Insurance Policies on a case-by-case basis outside of this Chapter 11 Case.

B. Liquidation under Chapter 7 of the Bankruptcy Code

If no plan can be confirmed, the Chapter 11 Case may be converted to a liquidation case under chapter 7 of the Bankruptcy Code. Following a conversion to chapter 7, a chapter 7 trustee would be appointed to liquidate the assets of Hopeman and make distributions in accordance with the priorities established by the Bankruptcy Code. In a chapter 7 liquidation, there likely would be no framework resembling the Plan for creating a trust that (as is proposed in the Plan) would take responsibility for administering Asbestos Claims through the Asbestos Trust Distribution Procedures and for making distributions to eligible claimholders from assets of the Asbestos Trust. Bankruptcy courts are generally not permitted to adjudicate Asbestos Claims, so, instead, the validity and amount of all such claims would have to be determined in another forum. The Plan Proponents believe that liquidation under chapter 7 would also result in smaller distributions being made to creditors than those provided for them in the Plan because, among other things, in a chapter 7 case, the Estate would bear the costs of the chapter 7 trustee's compensation, pursuant to section 326 of the Bankruptcy Code, and the fees of chapter 7 professionals who would be unfamiliar with events in the Chapter 11 Case.

The Bankruptcy Code requires as a condition to confirmation of a plan of reorganization that the Bankruptcy Court find that, with respect to an Impaired Class (such as Class 3 (General Unsecured Claims) and Class 4 (Channeled Asbestos Claims)), each holder of a claim or interest in such class has accepted the plan or will receive or retain under the plan on account of such claim

or interest property of a value, as of the effective date of the plan, that is not less than the amount that such holder would receive if the debtor were liquidated under chapter 7 of the Bankruptcy Code. Attached to this Disclosure Statement as Exhibit B is a liquidation analysis for Hopeman (the "Liquidation Analysis"), which compares the proposal in the Plan with a hypothetical liquidation assuming that (i) a bankruptcy case under chapter 7 of the Bankruptcy Code is commenced immediately, (ii) Hopeman's assets are liquidated by a court-appointed chapter 7 trustee in an orderly liquidation, and (iii) the Asbestos Claims are resolved through liquidation in a non-bankruptcy forum rather than pursuant to the Plan and the Asbestos Trust Distribution Procedures. The Liquidation Analysis demonstrates that holders of Claims in Class 3 (General Unsecured Claims) and Asbestos Claims in Class 4 (Channeled Asbestos Claims) will receive as much value under the Plan, if not more, than they would receive in a chapter 7 liquidation.

The Liquidation Analysis is based on a number of estimates and assumptions that, while considered reasonable, are inherently beyond the control of Hopeman or any chapter 7 trustee. Accordingly, there can be no assurances that the values reflected in the Liquidation Analysis would be realized if Hopeman were to undergo a chapter 7 liquidation. Instead, actual results could vary materially from those shown in the Liquidation Analysis. In addition, any liquidation necessarily would take place in the future, under circumstances that presently cannot be predicted. Accordingly, if the remaining unliquidated assets of the Estate were liquidated at a later date by a chapter 7 trustee, the actual liquidation proceeds could be materially lower or higher than the amounts set forth in Exhibit B, and no representation or warranty can be made with respect to the actual proceeds that may or could be received in a chapter 7 liquidation.

C. Alternate Chapter 11 Plan.

If the Plan is not confirmed, then Hopeman or any other party in interest could attempt to formulate a different chapter 11 plan. However, the Plan has been proposed by the Plan Proponents taking into consideration the competing and conflicting interests held by the holders of Channeled Asbestos Claims, Hopeman's other creditors, the Future Claimants' Representative and the priorities established in the Bankruptcy Code. The Plan is the result of substantial and lengthy negotiations among the Plan Proponents.

The Plan Proponents believe that confirmation and implementation of the Plan is preferable to any of these other alternatives and should provide greater recoveries than those available in a dismissal of this Chapter 11 Case, a liquidation under chapter 7 of the Bankruptcy Code, or an alternative chapter 11 plan.

X.

Risk Factors

Prior to voting to accept or reject the Plan, holders of Claims against and Equity Interests in Hopeman should read and consider carefully the risk factors set forth below, as well as the other information set forth in this Disclosure Statement (and the documents delivered together with and/or referred to in this Disclosure Statement). These risk factors, however, should not be regarded as constituting the only risks involved in connection with the Plan and its implementation.

A. Certain Bankruptcy Considerations

Although the Plan Proponents believe that the Plan will satisfy all requirements necessary for confirmation by the Bankruptcy Court, there can be no guarantee that the Bankruptcy Court will reach the same conclusion, or that the Confirmation Order, if challenged on appeal, will be affirmed. There also can be no assurance that the Plan as proposed will be accepted by the requisite number of holders or amount of Claims, that the Plan will not be modified up to and including the Confirmation Date, or that the Bankruptcy Court will enter an order confirming, or recommending confirmation of, the Plan containing the findings of fact and conclusions of law that are conditions precedent to confirmation of the Plan. There also can be no assurance that the District Court will accept and affirm, or issue, the order confirming the Plan, that such acceptance and affirmance or issuance will become a Final Order, and that the Asbestos Permanent Channeling Injunction will therefore become valid and enforceable.

If the Plan is not confirmed and consummated, there can be no assurance that the Chapter 11 Case will continue rather than be converted to a liquidation, or that any alternative chapter 11 plan would be on terms as favorable to the holders of Claims and Equity Interests as the terms of the Plan. If a liquidation or protracted reorganization were to occur, there is a substantial risk that the value of Hopeman's assets would erode substantially – to the detriment of all stakeholders.

B. Projected Financial Information

The financial projections that accompany this Disclosure Statement are dependent upon numerous assumptions, including confirmation and consummation of the Plan in accordance with its terms, the anticipated future performance of Reorganized Hopeman, general business and economic conditions, and other matters, many of which are beyond Hopeman's control. Accordingly, there can be no assurance that such assumptions will prove to be valid. In addition, unanticipated and unforeseeable events or circumstances occurring subsequent to the preparation of the financial projections may affect the actual financial results of the Reorganized Debtor. Although the Plan Proponents believe that the projections are reasonable and attainable, some or all of the estimates will vary, and variations between the actual financial results and those that are projected may be material.

C. Distributions Under the Asbestos Trust Distribution Procedures

There can be no certainty as to the precise amounts that will be distributed by the Asbestos Trust in any particular time period or when Asbestos Claims will be paid by the Asbestos Trust. Payments that will be made on Asbestos Claims will be determined under the Asbestos Trust Distribution Procedures and will be based, on the one hand, upon estimates of the number, types, and amount of current Asbestos Claims and expected future Demands and, on the other hand, the value of the assets of the Asbestos Trust, the liquidity of the Asbestos Trust, the Asbestos Trust's expected future income and expenses, and other matters that are likely to affect the sufficiency of funds to pay all holders of Asbestos Claims.

The initial payment percentage will be determined after the Effective Date by comparing the assets of the Asbestos Trust against its projected liability for Channeled Asbestos Claims and Asbestos Trust Expenses. The Asbestos Trust's projected liability for Channeled Asbestos Claims

is based upon a number of assumptions. Should any assumption from which the initial payment percentage was developed prove to be materially inaccurate based upon the Asbestos Trust's actual experience, the Asbestos Trust may have to adjust the payment percentage upwards or downwards from time to time, pursuant to the Asbestos Trust Documents, to reflect current estimates of the Asbestos Trust's assets and liabilities.

D. The Asbestos Permanent Channeling Injunction

The Asbestos Permanent Channeling Injunction, which, among other things, bars the assertion of any Channeled Asbestos Claims against Hopeman, Reorganized Hopeman, and the other Protected Parties (except as provided in the Plan), is the cornerstone of the Plan. In 1994, the United States Congress added subsection (g) to section 524 of the Bankruptcy Code in order to confirm the authority of the Bankruptcy Court, subject to the conditions specified therein, to issue injunctions, such as the Asbestos Permanent Channeling Injunction, with respect to present and future claims for asbestos-induced injury or wrongful death. Although the Plan, the Asbestos Trust Agreement, and the Asbestos Trust Distribution Procedures all have been drafted with the intention of complying with section 524(g) of the Bankruptcy Code, and although satisfaction of the conditions imposed by section 524(g) is a condition precedent to confirmation of the Plan, there is no guarantee that the validity and enforceability of the Asbestos Permanent Channeling Injunction or section 524(g) or the application of the Asbestos Permanent Channeling Injunction to Channeled Asbestos Claims will not be challenged, either before or after confirmation of the Plan. Although the Plan Proponents believe adequate bases exist for the courts to uphold section 524(g) and the Asbestos Permanent Channeling Injunction, there can be no assurance that, in the future, courts might not invalidate all or a portion of section 524(g) or the Asbestos Permanent Channeling Injunction.

XI.

Tax Consequences of the Plan

HOLDERS OF CLAIMS AND EQUITY INTERESTS SHOULD SEEK ADVICE BASED UPON THEIR PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

THE FOLLOWING DISCUSSION SUMMARIZES CERTAIN FEDERAL INCOME TAX CONSEQUENCES OF THE IMPLEMENTATION OF THE PLAN TO HOPEMAN, REORGANIZED HOPEMAN, HOLDERS OF ASBESTOS CLAIMS, AND THE ASBESTOS TRUST. THE FOLLOWING SUMMARY DOES NOT DISCUSS THE FEDERAL INCOME TAX CONSEQUENCES TO HOLDERS WHOSE CLAIMS ARE ENTITLED TO PAYMENT IN FULL IN CASH OR ARE OTHERWISE UNIMPAIRED UNDER THE PLAN OR TO HOLDERS OF INTERESTS OR INTERCOMPANY CLAIMS.

THE FOLLOWING SUMMARY IS BASED UPON THE INTERNAL REVENUE CODE OF 1986 (AS AMENDED, THE "INTERNAL REVENUE CODE"), TREASURY REGULATIONS PROMULGATED THEREUNDER, JUDICIAL DECISIONS, AND PUBLISHED ADMINISTRATIVE RULES AND PRONOUNCEMENTS OF THE IRS AS IN EFFECT ON THE DATE HEREOF. CHANGES IN SUCH RULES OR NEW

INTERPRETATIONS THEREOF MAY HAVE RETROACTIVE EFFECT AND COULD SIGNIFICANTLY AFFECT THE FEDERAL INCOME TAX CONSEQUENCES DESCRIBED BELOW.

THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND ARE SUBJECT TO SIGNIFICANT UNCERTAINTIES. HOPEMAN DOES NOT CURRENTLY INTEND TO SEEK A RULING FROM THE IRS CONCERNING ANY OF THE TAX ASPECTS OF THE PLAN. IN ADDITION, THIS SUMMARY DOES NOT ADDRESS FOREIGN, STATE, OR LOCAL TAX CONSEQUENCES OF THE PLAN. NOR DOES IT PURPORT TO ADDRESS THE FEDERAL INCOME TAX CONSEQUENCES OF THE PLAN TO SPECIAL CLASSES OF TAXPAYERS (SUCH AS FOREIGN TAXPAYERS, BROKER-DEALERS, BANKS, MUTUAL FUNDS, INSURANCE COMPANIES, FINANCIAL INSTITUTIONS, THRIFTS, SMALL BUSINESS INVESTMENT COMPANIES, REGULATED INVESTMENT COMPANIES, REAL ESTATE INVESTMENT COMPANIES, TAX-EXEMPT ORGANIZATIONS, TRADERS IN SECURITIES THAT ELECT TO USE A MARK-TO-MARKET METHOD OF ACCOUNTING FOR THEIR SECURITY HOLDING AND PASS-THROUGH ENTITIES AND INVESTORS IN SUCH ENTITIES).

ACCORDINGLY, THE FOLLOWING SUMMARY OF CERTAIN FEDERAL INCOME TAX CONSEQUENCES IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING AND ADVICE BASED UPON THE INDIVIDUAL CIRCUMSTANCES PERTAINING TO A HOLDER OF A CLAIM OR INTEREST. ALL HOLDERS OF CLAIMS AND INTERESTS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS FOR THE FEDERAL, STATE, LOCAL, AND OTHER TAX CONSEQUENCES APPLICABLE TO THEM UNDER THE PLAN.

A. Treatment of Transfer of Asbestos Trust Assets and Taxation of the Asbestos Trust

It is currently intended that the Asbestos Trust will constitute a "qualified settlement fund" within the meaning of section 468B of the Internal Revenue Code and the Treasury regulations promulgated thereunder. The applicable Treasury regulations provide that to be treated as a qualified settlement fund, a fund, account, or trust must be (i) established pursuant to an order of, or be approved by, a government authority, including a court, and must be subject to the continuing jurisdiction of that government authority; (ii) established to resolve or satisfy one or more contested or uncontested claims that have resulted or may result from an event or a related series of events that has occurred and that has given rise to at least one claim asserting, among other things, liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq., or liability arising out of a tort, breach of contract, or violation of law; and (iii) a trust under applicable state law or have its assets physically segregated from the other assets of the transferor and persons related to the transferor.

A transferor generally is entitled to a current federal income tax deduction for all transfers of cash and other property (other than its own notes) to a qualified settlement fund to the same extent the transferor would have been entitled to a deduction if such amounts had been paid directly to the holder of a claim that will be discharged upon the establishment of the qualified settlement fund. Assuming the Asbestos Trust is treated as a qualified settlement fund, and (to the extent permissible by law) Hopeman intends to claim a current federal income tax deduction for transfers

of Cash to the Asbestos Trust to the same extent that Hopeman would have been entitled to a deduction if such amounts had been paid directly to the holder of an Asbestos Claim. In connection therewith, Hopeman generally will not be entitled to a deduction to the extent that it funds the Asbestos Trust with Cash attributable to amounts not included in its income.

Assuming the Asbestos Trust is treated as a qualified settlement fund, the Asbestos Trust will generally be subject to a separate entity level tax at the maximum rate applicable to trusts and estates, and, in determining the taxable income of the Asbestos Trust, (i) any amounts transferred to the Asbestos Trust to resolve or satisfy a liability for which the Asbestos Trust is established generally will be excluded from the Asbestos Trust's income, and (ii) administrative costs (including state and local taxes) incurred by the Asbestos Trust generally will be deductible.

Assuming the Asbestos Trust is treated as a qualified settlement fund, trade or business expenses generally will not be deductible for federal income tax purposes. In general, the adjusted tax basis of property received (or treated as received for federal income tax purposes) by a qualified settlement fund from a transferor pursuant to the Plan will be the fair market value of such property at the time of receipt.

B. Consequences to Holders of Channeled Asbestos Claims

Except as provided for in Section 8.12, Section 8.13 and Section 8.15 of the Plan, each Channeled Asbestos Claim will be resolved and, if eligible, satisfied in cash from the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures. The federal income tax treatment of the receipt of payments from the Asbestos Trust by a holder of such an Asbestos Claim generally will depend upon the nature of the Asbestos Claim. Because the amounts received by a holder of an Asbestos Claim (other than an Asbestos Trust Expense) generally will be attributable to, and compensation for, such holder's personal physical injuries or sickness, within the meaning of section 104 of the Internal Revenue Code, any such amounts received by the holder generally should be nontaxable. However, to the extent payments from the Asbestos Trust to a holder of an Asbestos Claim are attributable to medical expense deductions allowed under section 213 of the Internal Revenue Code for a prior taxable year, such payments will be taxable as ordinary income to the recipient. To the extent that the payments from the Asbestos Trust to holders of Asbestos Claims constitute amounts received on account of claims other than personal physical injury or sickness, such payments generally will be includable in the gross income of such holders.

C. Information Reporting and Withholding

In connection with the Plan, Reorganized Hopeman and the Asbestos Trust will comply with all applicable withholding and reporting requirements imposed by federal, state, local, and foreign taxing authorities, and all Distributions under the Plan will be subject to those withholding and reporting requirements. Creditors may be required to provide certain tax information as a condition to receiving Distributions pursuant to the Plan. Notwithstanding any other provision of the Plan, each Person receiving a Distribution pursuant to the Plan will have sole and exclusive responsibility for the satisfaction and payment of any tax obligations imposed by any governmental unit, including income, withholding, and other tax obligations, on account of that Distribution.

The federal income tax consequences to any particular holder of a Claim also may be affected by matters not discussed in this Disclosure Statement. For example, if a holder of a Claim previously deducted a loss with respect to its Claim, the receipt of money under the Plan may require such holder to recognize income. Furthermore, certain holders of Claims, including foreign persons, life insurance companies, and tax-exempt organizations may be subject to special rules not addressed in this Disclosure Statement. There also may be state, local, or foreign tax considerations applicable to each holder.

XII.

Plan Voting Instructions, Procedures and Deadline

Along with this Disclosure Statement, Hopeman has included a copy of the Plan and an individual ballot for holders of General Unsecured Claims and either an individual ballot or a master ballot for holders of Asbestos Claims, all of whom are impaired and entitled to vote for the acceptance or rejection of the Plan. A Claim is impaired if the Plan proposes to modify, alter or exchange its legal, contractual or equitable rights.

A. Claim Holders Entitled to Vote

Administrative Expense Claims and Priority Tax Claims have not been classified for purposes of voting or receiving Distributions. Rather, all such Claims are treated separately as unclassified Claims, and the holders thereof are not entitled to vote on the Plan.

Claims in Class 1 (Priority Claims) and Class 2 (Secured Claims) are Unimpaired. Holders of Claims in Class 1 (Priority Claims) and Class 2 (Secured Claims) are conclusively presumed to have accepted the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

Claims in Class 3 (General Unsecured Claims) and Class 4 (Channeled Asbestos Claims) are Impaired. Each holder of a General Unsecured Claim in Class 3 or a Channeled Asbestos Claim in Class 4 is entitled to vote to accept or reject the Plan ("Voting Creditors").

Claims in Class 6 (Equity Interests) also are Impaired. Each holder of an Interest in Class 6 (Equity Interests) will not receive or retain any property on account of their Equity Interests. As a result, such holders are conclusively presumed to have rejected the Plan and, accordingly, are not entitled to vote to accept or reject the Plan.

B. Voting Instructions and Voting Deadline

Pursuant to the Solicitation Procedures Order, all Voting Creditors will be sent a Ballot together with the solicitation version of this Disclosure Statement. Please read the Ballot carefully and follow the instructions contained therein. Please use only the Ballot that accompanies the Disclosure Statement to cast your vote.

Hopeman has engaged Verita as its voting agent (the "Voting Agent") to assist in the transmission of voting materials and in the tabulation of votes on the Plan. **FOR YOUR VOTE TO BE COUNTED, YOUR VOTE MUST BE RECEIVED BY THE VOTING AGENT AT THE ADDRESS SET FORTH BELOW OR THROUGH THE E-BALLOT PORTAL ON OR**

BEFORE THE VOTING DEADLINE OF 4:00 P.M. (PREVAILING EASTERN TIME) ON _____ UNLESS EXTENDED BY HOPEMAN.

IF THE INSTRUCTIONS ON YOUR BALLOT REQUIRE YOU TO RETURN THE BALLOT TO YOUR ATTORNEYS, YOU MUST DELIVER YOUR BALLOT TO THEM IN SUFFICIENT TIME FOR THEM TO PROCESS IT AND RETURN IT TO THE BALLOTING AGENT BEFORE THE VOTING DEADLINE.

IF A BALLOT IS DAMAGED OR LOST, YOU MAY CONTACT THE VOTING AGENT AT THE NUMBER SET FORTH BELOW TO RECEIVE A REPLACEMENT BALLOT. ANY BALLOT THAT IS EXECUTED AND RETURNED BUT WHICH DOES NOT INDICATE AN ACCEPTANCE OR REJECTION OF THE PLAN WILL NOT BE COUNTED.

IF YOU HAVE ANY QUESTIONS CONCERNING VOTING PROCEDURES, YOU MAY CONTACT THE VOTING AGENT AT:

Hopeman Ballot Processing Center
c/o Kurtzman Carson Consultants LLC dba Verita Global
222 N. Pacific Coast Highway, Suite 300
El Segundo, CA 90245
Telephone: (877) 709-4752 (U.S./Canada) or (424) 236-7232 (International)
Submit an inquiry at https://www.veritaglobal.net/hopeman/inquiry

Additional copies of this Disclosure Statement and the Plan are available upon request made to the Voting Agent, at the telephone number or e-mail address set forth immediately above.

C. Summary of Voting Procedures for Holders of Asbestos Claims

The Solicitation Order sets forth certain procedures governing the voting by holders of Asbestos Claims ("Voting Procedures"). Specifically, pursuant to the Voting Procedures, each Asbestos Claim is to be temporarily allowed for voting purposes only in the amount of $1.00 per claimant.

Hopeman does not have individual addresses for the majority of the holders of Asbestos Claims, most of whom have asserted Claims against Hopeman through their law firms. To avoid unnecessary administrative burden, the Plan Proponents will send a master ballot in the form attached to this Disclosure Statement as **Exhibit E**, to all counsel of known holders of Asbestos Claims. The Plan Proponents will send an individual ballot (in the form attached to this Disclosure Statement as **Exhibit D**) to individual holders of Asbestos Claims only where the circumstances set forth in the Voting Procedures for such delivery are met.

XIII.

Confirmation of the Plan

A. Confirmation Hearing

Section 1128(a) of the Bankruptcy Code requires the Bankruptcy Court, after appropriate notice, to hold a hearing on confirmation of a plan (the "Confirmation Hearing"). The Solicitation Procedures Order scheduled the Confirmation Hearing for _____.

B. General Requirements of Section 1129 of the Bankruptcy Code

At the Confirmation Hearing, the Bankruptcy Court will determine whether the following confirmation requirements specified in section 1129 of the Bankruptcy Code have been satisfied:

1. The Plan complies with the applicable provisions of the Bankruptcy Code.

2. Hopeman has complied with the applicable provisions of the Bankruptcy Code.

3. The Plan has been proposed in good faith and not by any means proscribed by law.

4. Any payment made or promised by Hopeman or by a person acquiring property under the Plan for services or for costs and expenses in, or in connection with, the Chapter 11 Case, or in connection with the Plan and incident to the Chapter 11 Case, has been or will be approved by the Bankruptcy Court.

5. Hopeman has disclosed the identity and affiliations of any individual proposed to serve, after confirmation of the Plan, as a director or officer of Hopeman or a successor to Hopeman under the Plan. The appointment of (or continuance by) such individual to (or in) such position or office is consistent with the interests of creditors and equity security holders and with public policy. Hopeman has disclosed the identity of any insider that will be employed or retained by Hopeman, and the nature of any compensation for such insider.

6. With respect to each Class of Claims or Equity Interests, each holder of an impaired Claim or impaired Interest either has accepted the Plan or will receive or retain under the Plan, on account of such holder's Claim or Interest, property of a value, as of the Effective Date, that is not less than the amount such holder would receive or retain if Hopeman were liquidated on the Effective Date under chapter 7 of the Bankruptcy Code. *See* discussion of "Best Interests Test," below.

7. Each Class of Claims and Equity Interests has either accepted the Plan or is not Impaired under the Plan.

8. Except to the extent that a holder of a particular Claim has agreed to different treatment of such Claim, the Plan provides that Administrative Expense Claims and Priority Claims (other than Priority Tax Claims) will be paid in full on the Effective Date. Priority Tax Claims, if any, will be paid, over a period not exceeding five years after the date of the order for relief, in regular installments of Cash payments, equal to the Allowed amount of such Claims (as of the Effective Date) and in a manner no less favorable than the most favored non-priority unsecured Claim provided for by the Plan, and, with respect to a secured Claim that would otherwise meet the description of an unsecured Claim of a governmental unit undersection 507(a)(8) of the Bankruptcy Code, but for the secures status of that Claim, the holder of that Claim will receive on account of that Claim, Cash payments, in the same manner as described in this paragraph.

9. At least one Class of Impaired Claims has accepted the Plan, with the determination of such Class acceptance not including any acceptance of the Plan by any insider holding a Claim in such Class.

C. Best Interests Test

The Bankruptcy Code requires that each holder of an impaired Claim or Equity Interest either (i) accept the Plan; or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such holder would receive if Hopeman was liquidated under chapter 7 of the Bankruptcy Code.

The Liquidation Analysis is discussed above in Section V.B. of this Disclosure Statement and is attached hereto as Exhibit B. When the results of the Liquidation Analysis are compared to the distributions expected under the Plan, as set forth in Articles IV and V of the Plan, it is clear that every creditor and interest holder will receive at least as much under the Plan as such creditor or interest holder would receive in a chapter 7 liquidation.

D. Feasibility

The Bankruptcy Code requires that a debtor demonstrate that confirmation of a plan is not likely to be followed by liquidation or the need for further financial reorganization of the debtor. In connection with the development of the Plan, and for purposes of determining whether the Plan satisfies that "feasibility" requirement of section 1129(a)(11) of the Bankruptcy Code, Hopeman's management has analyzed the ability of Reorganized Hopeman to meet its obligations under the Plan and to conduct its business after the Effective Date.

The pro forma balance sheets and projected financial performance for Reorganized Hopeman and the projected Asbestos Trust Contribution (collectively, the "Reorganized Hopeman Projections"), which are attached as Exhibit C to this Disclosure Statement, should be read in conjunction with Article X.C above. The Projections were not prepared with a view toward compliance with the guidelines established by the American Institute of Certified Public Accountants, the practices recognized to be in accordance with Generally Accepted Accounting Principles, or the rules and regulations of the Securities and Exchange Commission regarding

projections. Furthermore, the Projections have not been audited by an independent accountant. The Plan Proponents do not intend, and disclaims any obligation, to furnish updated projections to holders of Claims prior to the Effective Date.

The Projections were prepared exclusively by Hopeman's management and financial advisors and are based upon, and assume the successful implementation of, the Plan. The Projections, while presented with numerical specificity, are necessarily based on a variety of estimates and assumptions that, though considered reasonable at the time made, may prove not to be accurate, and are inherently subject to significant business, economic, and competitive uncertainties and contingencies, many of which are beyond Hopeman's control. Hopeman cannot make any representations as to Reorganized Hopeman's ability to achieve the results set forth in the Projections. Some assumptions on which the Projections are based may not materialize, and events and circumstances occurring after the date on which the Projections were prepared may be different from those assumed or anticipated, and may materially and adversely impact Reorganized Hopeman's future financial performance. The Projections, therefore, cannot be relied upon as a guarantee or other assurance of Reorganized Hopeman's actual future financial performance or of a particular outcome or result.

Based upon the Projections, the Plan Proponents believe that Reorganized Hopeman will be able to make all payments required pursuant to the Plan and, therefore, that confirmation of the Plan is not likely to be followed by liquidation or the need for further reorganization.

E. Cramdown

Section 1129(b) of the Bankruptcy Code provides that if the applicable requirements of section 1129(a) of the Bankruptcy Code, except for section 1129(a)(8),[9] are met with respect to a plan, then a court, on request of the plan proponent, "shall confirm the plan . . . if the plan does not discriminate unfairly, and is *fair and equitable*, with respect to each class of claims or interests that is impaired under, and has not accepted, the plan." 11 U.S.C. § 1129(b) (emphasis added). The "fair and equitable" test applies to classes of different priority and statures (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receives more than 100% of the allowed amount of the claims in such class.

The holders of Equity Interests in Hopeman are not receiving a distribution under the Plan and thus are deemed to vote "no" to the Plan. Assuming the other confirmation requirements of section 1129 of the Bankruptcy Code are satisfied, the Plan Proponent may seek confirmation of the Plan pursuant to section 1129(b) of the Bankruptcy Code on the basis that the Plan is "fair and equitable" to holders of claims in Classes 3 and 5.

[9] Section 1129(a)(8) of the Bankruptcy Code states "[w]ith respect to each class of claims or interests—

(A) such class has accepted the plan; or

(B) such class is not impaired under the plan."

XIV.

Recommendation

The Plan Proponents believe that the Plan provides for the highest and most timely recovery available to holders of Claims in Class 3 (General Unsecured Claims) and Class 4 (Channeled Asbestos Claims). Therefore, the Plan Proponents recommend that all holders of General Unsecured Claims in Class 3 and Channeled Asbestos Claims in Class 4 vote to accept (vote in favor of) the Plan and urge each of them to evidence such acceptance by returning their respective ballots so that they are ***actually received*** by the Balloting Agent **on or before 4:00 p.m. (Eastern Time) on June 12, 2025.**

Dated: May 21, 2025

HOPEMAN BROTHERS, INC.

By: */s/ Christopher Lascell*
Christopher Lascell
President

EXHIBIT A

PLAN OF REORGANIZATION

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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

In re:	:	**Chapter 11**
HOPEMAN BROTHERS, INC.,	:	**Case No. 24-32428 (KLP)**
Debtor.	:	

AMENDED PLAN OF REORGANIZATION OF HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Dated: May 21, 2025

PLAN OF REORGANIZATION OF HOPEMAN BROTHERS, INC. UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

INTRODUCTION

Hopeman and the Committee, as the Plan Proponents, now jointly propose the following chapter 11 plan of reorganization for Hopeman Brothers, Inc., in accordance with section 1121(a) of title 11 of the United States Code. Capitalized terms used in this plan of reorganization and not otherwise defined shall have the meanings ascribed to them in Article 1.A hereof.

This Plan provides, among other things, for the issuance of the Asbestos Permanent Channeling Injunction under sections 105(a) and 524(g) of the Bankruptcy Code that will, among other things, result in the channeling of certain asbestos-related liabilities of Hopeman (excluding liabilities for worker compensation claims) to a newly created Asbestos Trust, as more fully described herein. The terms, conditions, and Entities subject to the Asbestos Permanent Channeling Injunction are set forth in Section 10.3 of this Plan. Except as otherwise permitted under the terms of this Plan, the Asbestos Permanent Channeling Injunction will prohibit any acts to collect, recover, or offset any asbestos-related liabilities of Hopeman against Hopeman, Reorganized Hopeman, certain third parties, and various persons or entities related to those parties. Under section 524(g), all distributions paid under this Plan to the holders of Asbestos Claims and Demands will be the responsibility of the Asbestos Trust, and Hopeman and Reorganized Hopeman shall have no further personal liability for such claims.

Additionally, under the terms of Section 8.12 of this Plan, holders of Asbestos Claims and Demands may bring actions against Reorganized Hopeman and, to the extent they have obtained a judgment against Reorganized Hopeman or have the right to pursue direct actions under applicable nonbankruptcy law, such holders may bring judgment-enforcement or direct actions against Non-Settling Asbestos Insurers, in accordance with Section 8.13 of this Plan, to obtain the benefits of Asbestos Insurance Coverage. All other claims against Hopeman will receive payments and distributions in accordance with this Plan and the Asbestos Trust Documents.

The foregoing description of this Plan is qualified in its entirety by the terms, conditions, and definitions set forth below.

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ARTICLE I

DEFINITIONS AND INTERPRETATIONS

A. Definitions. The following terms provided in this Article I apply to the Plan and shall have the respective meanings specified below:

1.1. Administrative Expense Claim means a Claim for any cost or expense of administration of the Estate under sections 503(b), 507(a)(1), 507(b), or 1114(e)(2) of the Bankruptcy Code, including: (a) any actual and necessary cost and expense of preserving the Estate or operating Hopeman's business incurred after the Petition Date and through the Effective Date; (b) any indebtedness or obligations incurred or assumed by Hopeman after the Petition Date and through the Effective Date; (c) any Allowed compensation for Professional services rendered, and Allowed reimbursement of expenses incurred, by a Professional retained by order of the Bankruptcy Court or otherwise Allowed pursuant to section 503(b) of the Bankruptcy Code; and (d) all fees due and payable pursuant to section 1930 of title 28 of the United States Code.

1.2. Administrative Expense Claim Bar Date means the first Business Day that is thirty (30) calendar days after the Effective Date, which will be the deadline by which parties seeking payment of Administrative Expense Claims (other than Professional Fee Claims) must file a motion seeking Allowance of such claim.

1.3. Allowed means, with respect to any Claim (other than a Channeled Asbestos Claim) or Interest, such Claim or Interest or portion thereof against or in Hopeman: (a) that has been listed by Hopeman in the Schedules as liquidated in amount and not disputed or contingent and for which no contrary Proof of Claim has been filed; (b) as to which the deadline for objecting or seeking estimation has passed, and no objection or request for estimation has been filed, or Hopeman otherwise has assented to the validity thereof; (c) as to which any objection or request for estimation that has been filed has been settled, waived, withdrawn, overruled, or denied by a Final Order; or (d) that is allowed pursuant to the terms of (i) a Final Order, (ii) an agreement by and between the holder of such Claim or Interest and Hopeman, or (iii) the Plan.

1.4. Allowed Amount means, with respect to any Claim (other than Channeled Asbestos Claims), the dollar amount of such Claim as Allowed. Unless otherwise provided in the Plan or a Final Order of the Bankruptcy Court or the District Court, the Allowed Amount of an Allowed Claim shall not include interest or penalties accruing on such Allowed Claim from and after the Petition Date.

1.5. Amended By-Laws means the amended and restated by-laws of Reorganized Hopeman, which shall be substantially in the form attached as Exhibit C as may be modified by, *inter alia*, a revised version filed in the Plan Supplement.

1.6. Amended Certificate of Incorporation means the amended and restated certificate of incorporation of Reorganized Hopeman, which shall be substantially in the form attached as Exhibit D hereto as may be modified by, *inter alia*, a revised version filed in the Plan Supplement.

1.7. Asbestos CIP Agreement means an agreement between Hopeman and an Asbestos Insurer that (a) is based on, arises from, or is attributable to an Asbestos Insurance Policy and (b), among other things, establishes a framework or formula for the Asbestos Insurer's payment of indemnity, liability, or defense costs to Hopeman with respect to Asbestos Personal Injury Claims. The term "Asbestos CIP Agreement" includes that certain Settlement Agreement, dated December 18, 2009, between Hopeman and Century Indemnity Company, as successor to CCI Insurance Company, as successor to Insurance Company of North America. Notwithstanding any of the foregoing, "Asbestos CIP Agreement" does not include any prepetition settlement agreement (or any related indemnity obligations thereunder) that does not currently provide rights in favor of Hopeman to continuing coverage or to payment of insurance proceeds.

1.8. Asbestos Claim means an Asbestos Personal Injury Claim or an Asbestos Indirect Claim.

1.9. Asbestos Indirect Claim means any Claim, now existing or hereafter arising, that is held or asserted by an Entity that is not an Asbestos Insurer against Hopeman, or for which Hopeman is liable, for contribution, reimbursement, subrogation, or indemnification, or any other indirect or derivative recovery, on account of or with respect to any Asbestos Personal Injury Claim. Notwithstanding the foregoing, any indemnity claims of Released Parties asserted under Section 8.14 hereof shall not be deemed to be or treated as an Asbestos Indirect Claim or an Asbestos Claim.

1.10. Asbestos Insurance Cooperation Obligations means, collectively, the assistance and cooperation, inspection and audit, and notice of occurrence provisions set forth in the Asbestos Insurance Policies and any other provisions purporting to require the cooperation of the insured party.

1.11. Asbestos Insurance Coverage means all rights, title, privileges, interests, claims, demands, benefits, or entitlements to proceeds, payments, indemnity, or reimbursement under any Asbestos Insurance Policy relating to any Channeled Asbestos Claim.

1.12. Asbestos Insurance Policies means the insurance policies identified on Exhibit H of the Plan and any other insurance policy of Hopeman, whether known or unknown, that provides or potentially provides coverage for any Channeled Asbestos Claim.

1.13. Asbestos Insurance Rights means any and all of Hopeman's rights, title, privileges, interests, claims, demands, or entitlements in or to any insurance coverage, defense, indemnity, proceeds, payments, escrowed funds, initial or supplemental dividends, scheme payments, supplemental scheme payments, state guaranty fund payments, causes of action, and choses in action under, for, or related to (i) the Asbestos Insurance Settlements, (ii) the Asbestos Insurance Policies, or (iii) the Asbestos CIP Agreements, whether now existing or hereafter arising, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, disputed or undisputed, fixed or contingent, including:

(a) any and all rights of Hopeman to pursue or receive payment, reimbursement, or proceeds under any Asbestos Insurance Policy or any Asbestos CIP Agreement, whether for indemnity, liability, defense costs, or otherwise;

(b) the remaining balance of any proceeds of any and all payments received by Hopeman on account of an Asbestos Insurance Policy or Asbestos CIP Agreement at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(c) any and all rights of Hopeman to pursue or receive payments from any insolvent Asbestos Insurer, whether in receivership, liquidation, rehabilitation, runoff, or scheme of arrangement, or any other form of proceeding, or from any insolvent Asbestos Insurer's estate, and the remaining balance of any proceeds of all payments received by Hopeman from any such Asbestos Insurer or such insolvent insurer's estate, at any time on, before, or after the Effective Date, together with all interest earned on such proceeds;

(d) any and all rights of Hopeman to pursue or receive payments with respect to Asbestos Personal Injury Claims from any insurance guaranty association;

(e) any and all rights of Hopeman to pursue or receive payment to any exception to a workers' compensation exclusion in any Asbestos Insurance Policy; *provided, however*, that Asbestos Insurance Rights shall not include any rights or obligations under any insurance policy, settlement agreement, or coverage in-place agreement to which any Asbestos Insurer is a party to the extent, but only to the extent, that such rights or obligations pertain solely to coverage for Worker Compensation Claims; and

(f) any and all Extracontractual Claims, and any and all rights of Hopeman to pursue or receive payments or recoveries on account thereof.

1.14. Asbestos Insurance Settlement means (a) the Certain Settling Insurers Agreement; (b), with the exception of the Certain Settling Insurers Agreement, each agreement that, prior to the Effective Date, has been entered into by an Asbestos Insurer and Hopeman with consent of the Committee and approved by Final Order of the Bankruptcy Court; or (c) any agreement that satisfies the requirements of clauses (a) through (c) of Section 8.17.

1.15. Asbestos Insurer means any Entity, including any insurance company, broker, or guaranty association, that has issued, or that has any actual or potential liabilities, duties or obligations under or with respect to any Asbestos Insurance Policy.

1.16. Asbestos Permanent Channeling Injunction means the injunction provided for in Section 10.3 hereof.

1.17. Asbestos Personal Injury Claim means any Claim or allegation or portion thereof against, or any debt, liability, or obligation of, Hopeman, whether now existing or hereafter arising, whether in the nature of or sounding in tort, or under contract, warranty, or any other theory of law, equity, or admiralty for, arising out of, resulting from, or attributable to, directly or indirectly, death, bodily injury, sickness, disease, or any other actual or alleged personal injury, physical, emotional, or otherwise, to persons, caused or allegedly caused, directly or indirectly, by the presence of, or exposure to, asbestos, including asbestos-containing products or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way used by Hopeman or any other Entity for whose products or operations Hopeman has liability or is alleged to have liability, but only to the extent arising,

directly or indirectly, from acts, omissions, business, or operations of Hopeman (including the acts, omissions, business, or operations of any other Entity for whose products or operations Hopeman has liability, but only to the extent of Hopeman's liability for such acts, omissions, business, or operations), including all related claims, debts, obligations, or liabilities (such as any claim or demand for compensatory damages; loss of consortium; medical monitoring; wrongful death; survivorship; proximate, consequential, general, special, or punitive damages). As used herein, the term "Asbestos Personal Injury Claim" shall not include any Worker Compensation Claim.

1.18. Asbestos Personal Injury Claimant Release means a general release by a holder of an Asbestos Personal Injury Claim in substantially the form attached as Exhibit E hereto.

1.19. Asbestos Trust means the Asbestos Trust established pursuant to section 524(g) of the Bankruptcy Code and in accordance with the Plan, the Confirmation Order and the Asbestos Trust Agreement, which trust shall constitute a "qualified settlement fund" under section 468B of the Internal Revenue Code and shall be a Delaware statutory trust.

1.20. Asbestos Trust Advisory Committee means the Asbestos Trust advisory committee established pursuant to the terms of the Plan and the Asbestos Trust Agreement and identified in the Asbestos Trust Agreement.

1.21. Asbestos Trust Agreement means the agreement, to be dated as of the Effective Date, by and among Reorganized Hopeman, the Future Claimants' Representative, the Asbestos Trustee, the Asbestos Trust Advisory Committee, and the Delaware Trustee, governing the creation and the terms of the Asbestos Trust, which shall be substantially in the form attached as Exhibit A hereto.

1.22. Asbestos Trust Assets means, collectively: (a) the Asbestos Trust Contribution; (b) the Asbestos Insurance Rights; (c) all other assets, rights (including Causes of Action), and benefits assigned, transferred or conveyed to the Asbestos Trust in connection with the Plan or any Plan Documents; and (d) all proceeds of the foregoing.

1.23. Asbestos Trust Contribution means a contribution or contributions by or on behalf of Hopeman or Reorganized Hopeman to the Asbestos Trust of (a) all Cash held by Hopeman (provided, however, that any Cash, up to an amount to be disclosed in the Plan Supplement held by Hopeman as of the Effective Date shall be set aside by Hopeman or Reorganized Hopeman, as applicable, in a segregated account as the Net Reserve Funds in accordance with Section 8.5 of the Plan), (b) the Excess Net Reserve Funds, (c) all of Hopeman's or Reorganized Hopeman's, as applicable, rights or Proceeds payable under any and all agreements with Settled Asbestos Insurers (including any Proceeds held in or deposited into any qualified settlement fund pursuant to, or in connection with, an agreement with Settled Asbestos Insurers); and (d) all of Hopeman's or Reorganized Hopeman's, as applicable, Asbestos Insurance Rights.

1.24. Asbestos Trust Distribution Procedures means the trust distribution procedures for the Asbestos Trust, which shall be substantially in the form attached as Exhibit B hereto, and such additional procedures as may subsequently be adopted by the Asbestos Trust, which provide for the resolution, liquidation, and satisfaction of Channeled Asbestos Claims.

1.25. Asbestos Trust Documents means, collectively: (a) the Asbestos Trust Agreement; (b) the Asbestos Trust Distribution Procedures; and (c) any other agreements, instruments, and documents governing the establishment and administration of the Asbestos Trust, which shall be materially consistent with the terms of the Plan, the Asbestos Trust Agreement, and the Asbestos Trust Distribution Procedures, as the same may be amended or modified from time to time, in accordance with the terms thereof.

1.26. Asbestos Trust Expenses means any of the liabilities, costs, or expenses incurred by or on behalf of the Asbestos Trust (other than liabilities to holders of Asbestos Personal Injury Claims in respect of such Claims), in carrying out the terms of the Asbestos Trust Agreement.

1.27. Asbestos Trustee means the individual set forth in the Asbestos Trust Agreement and appointed pursuant to the Confirmation Order to serve as the trustee for the Asbestos Trust in accordance with the terms of the Plan and the Asbestos Trust Agreement, and any successor trustee thereto appointed in accordance with the Asbestos Trust Agreement.

1.28. Avoidance Action(s) means any avoidance or recovery action under any of sections 502(d), 542, 544, 545, 547, 548, 549, 550, 551 and 553 of the Bankruptcy Code, or under similar state or federal statutes and common law, whether or not litigation has been commenced with respect to such Cause of Action as of the Effective Date.

1.29. Bankruptcy Code means title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., as in effect on the Petition Date, together with all amendments, modifications and replacements of the foregoing, as the same may exist on any relevant date to the extent applicable to the Chapter 11 Case.

1.30. Bankruptcy Court means the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division, or such other court as may have jurisdiction over the Chapter 11 Case or any proceeding within, or appeal of an order entered in, the Chapter 11 Case including, to the extent of a withdrawal of reference under 28 U.S.C. § 157 or the requirement for final approval, the District Court.

1.31. Bankruptcy Rules means, collectively: (a) the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of title 28 of the United States Code; (b) the Federal Rules of Civil Procedure, as applicable to the Chapter 11 Case or any proceedings therein; and (c) the local rules of the Bankruptcy Court, all as amended from time to time and applicable to the Chapter 11 Case.

1.32. Business Day means any day other than a Saturday, Sunday or "legal holiday" (as defined in Bankruptcy Rule 9006(a)).

1.33. Cash means legal tender of the United States of America and equivalents thereof.

1.34. Causes of Action is intended to be read as broadly as possible and includes, but is not limited to, any Claims, causes of action (including Avoidance Actions), demands, actions, suits, obligations, liabilities, crossclaims, counterclaims, defenses, offsets, or set offs of any kind or character whatsoever, in each case whether known or unknown, contingent or noncontingent, matured or unmatured, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate

or inchoate, existing or hereafter arising, under statute, in contract, in tort, in law, or in equity, or pursuant to any other theory of law, federal or state, whether asserted or assertable directly or derivatively in law or equity or otherwise by way of claim, counterclaim, crossclaim, third party action, action for indemnity, contribution, or otherwise.

1.35. Certain Settling Insurers Agreement means the Settlement Agreement and Release, dated as of July 10, 2024, by and among Hopeman, Continental Casualty Company, Fidelity & Casualty Company, Lexington Insurance Company, Granite State Insurance Company, the Insurance Company of the State of Pennsylvania, National Union fire Insurance Company of Pittsburgh, PA, and General Reinsurance Corporation.

1.36. Channeled Asbestos Claimant means the holder of a Channeled Asbestos Claim.

1.37. Channeled Asbestos Claims means, collectively, the Asbestos Claims and Demands.

1.38. Chapter 11 Case means Hopeman's case under chapter 11 of the Bankruptcy Code, captioned *In re Hopeman Brothers, Inc.*, Case No. 24-32428 (KLP) pending in the Bankruptcy Court.

1.39. Claim means a claim, as defined in section 101(5) of the Bankruptcy Code.

1.40. Claims and Balloting Agent means the claims, noticing and balloting agent in the Chapter 11 Case, Kurtzman Carson Consultants, LLC dba Verita Consulting.

1.41. Class means a category of Claims or Interests established under section 3.1 of the Plan pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

1.42. Committee means the Official Committee of Unsecured Creditors appointed by the Office of the United States Trustee for the Eastern District of Virginia in this Chapter 11 Case on July 22, 2024.

1.43. Confirmation Date means the date on which the Confirmation Order is entered on the docket of the Chapter 11 Case within the meaning of Bankruptcy Rules 5003 and 9021 or on the docket of the District Court.

1.44. Confirmation Hearing means the hearing(s) to be held by the Bankruptcy Court or the District Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of the Plan, as such hearing(s) may be adjourned or continued from time to time.

1.45. Confirmation Order means (a) the order of the District Court confirming the Plan under section 1129 of the Bankruptcy Code or (b) collectively, the order of the Bankruptcy Court confirming the Plan under section 1129 of the Bankruptcy Code and the order of the District Court affirming such order, which in either case shall contain the Asbestos Permanent Channeling Injunction.

1.46. Contribution Claim has the meaning ascribed to that term in Section 8.13 of this Plan.

1.47. Debtor in Possession means Hopeman as debtor in possession in the Chapter 11 Case pursuant to section 1101(1) of the Bankruptcy Code.

1.48. Delaware Trustee means the Entity appointed in accordance with section 8.3(c), herein, to serve as the "Delaware Trustee" in accordance with the terms of the Plan and the Asbestos Trust Agreement.

1.49. Demand means a "demand," as defined in section 524(g)(5) of the Bankruptcy Code, against Hopeman.

1.50. Designated Person means each of the following former directors and officers of Hopeman or Wayne: Albert Arendt Hopeman, Jr., Bertram C. Hopeman, Charles Johnson, and Kenneth Wood.

1.51. Disallowed means, when used with respect to a Claim against Hopeman, other than an Asbestos Personal Injury Claim, a Claim that is not Allowed and (a) has been disallowed by a Final Order, (b) is listed in the Schedules as contingent, disputed, or unliquidated and as to which no Proof of Claim or request for payment of an Administrative Expense Claim has been timely filed or deemed timely filed with the Bankruptcy Court, (c) is not listed in the Schedules and as to which no Proof of Claim or request for payment of an Administrative Expense Claim has been timely filed or deemed timely filed with the Bankruptcy Court, or (d) has been withdrawn, in whole or in part (but solely to the extent of such withdrawal), by the holder thereof.

1.52. Disclosure Statement means the written disclosure statement that relates to the Plan, including the exhibits and schedules thereto, as approved by the Bankruptcy Court after the Petition Date as containing adequate information pursuant to section 1125 of the Bankruptcy Code and Rule 3017 of the Bankruptcy Rules, as such disclosure statement may be amended, modified, or supplemented from time to time.

1.53. Disputed Claim means a Claim against Hopeman or any portion thereof, other than a Channeled Asbestos Claim, that is neither Allowed nor Disallowed or is contingent, disputed, or unliquidated.

1.54. Distribution means any: (a) Cash; (b) property; or (c) interest in property to be paid or distributed hereunder to the holders of Allowed Claims, not including Channeled Asbestos Claims.

1.55. Distribution Record Date means the record date for determining an entitlement to receive Distributions under the Plan on account of Allowed Claims, other than Channeled Asbestos Claims, which date shall be the Confirmation Date.

1.56. District Court means the United States District Court for the Eastern District of Virginia.

1.57. Effective Date means the first Business Day upon which each condition set forth in section 11.2 has been satisfied or waived.

1.58. Encumbrance means, with respect to any property (whether real or personal, or tangible or intangible), any mortgage, Lien, pledge, charge, security interest, assignment, or encumbrance of any kind or nature in respect of such property (including any conditional sale or other title retention agreement, any security agreement, and the filing of, or agreement to give, any financing statement under the Uniform Commercial Code or comparable law of any jurisdiction) to secure payment of a debt or performance of an obligation.

1.59. Entity means any Person or organization created by law, including, without limitation, any individual, company, corporation, limited liability company, partnership, association, joint stock company, joint venture, estate, trust, unincorporated organization, or government or any political subdivision thereof.

1.60. Equity Interest means any right, title and ownership interest in Hopeman.

1.61. Estate means the estate created under section 541 of the Bankruptcy Code in the Chapter 11 Case.

1.62. Excess Net Reserve Funds means any Net Reserve Funds remaining after the satisfaction in full of (a) all Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Priority Claims, Allowed Secured Claims and Allowed General Unsecured Claims (including the payment of any interest on any such Claims that may be allowed under the Plan or required to be paid by the Bankruptcy Code), (b) any fees and expenses of Hopeman, Reorganized Hopeman, the Committee, the Future Claimants' Representative that are payable by Hopeman or Reorganized Hopeman, as applicable, pursuant to Section 9.1 of the Plan, (c) any fees payable pursuant to section 1930 of title 28 of the United States Code (whether those fees pursuant to section 1930 of title 28 are payable before or after the Effective Date), (d) any other amounts that the Plan provides are to be paid from the Net Reserve Funds, and (e) such amounts as Reorganized Hopeman determines, in the reasonable exercise of its discretion, are or will be sufficient to fully satisfy (as and when due) all franchise taxes and other expenditures that are necessary to maintain its corporate existence in good standing under the laws of the state of its formation or that otherwise are necessary for Reorganized Hopeman to conduct the business for which Section 8.11 of the Plan provides.

1.63. Exculpated Parties means, collectively, (a) Hopeman, (b) the Committee, solely in its capacity as such, (c) the Future Claimants' Representative, solely in her capacity as such, and (d) Professionals of any of the foregoing Entities, solely in their capacity as such. An Entity shall be an "Exculpated Party" only to the extent that it is a fiduciary that has performed duties in connection with the Chapter 11 Case.

1.64. Executory Contract means any unexpired lease or executory contract of Hopeman that is subject to treatment under section 365 of the Bankruptcy Code.

1.65. Extracontractual Claim means any claim against an Asbestos Insurer for "bad faith," extracontractual, or tort liability that is based on, arises from, or is attributable to an Asbestos Insurance Policy or Asbestos CIP Agreement.

1.66. Final Order means a judgment or an order, as the case may be, as to which the time to appeal, petition for certiorari, or move for reargument or rehearing has expired and as to

which no appeal, petition for certiorari or other proceedings for reargument or rehearing shall then be pending; provided, however, that if an appeal, writ of certiorari, reargument or rehearing thereof has been filed or sought: (a)(i) such judgment or order shall have been affirmed by the highest court to which such judgment or order was appealed; or (ii) certiorari shall have been denied or reargument or rehearing shall have been denied or resulted in no modification of such order, and the time to take any further appeal, petition for certiorari or move for reargument or rehearing shall have expired; or (b) such appeal, writ of certiorari, or request for reargument or rehearing shall have been dismissed with prejudice by the filing or seeking party.

1.67. Future Claimants' Representative means (a) after the Petition Date but prior to the Effective Date, Marla Rosoff Eskin (or any court-appointed alternative or successor) in her capacity as the court-appointed legal representative for all holders of Demands pursuant to section 524(g) of the Bankruptcy Code; or (b) the individual identified in the Asbestos Trust Agreement and appointed by the Bankruptcy Court to serve as the legal representative for all holders of Demands on and after the Effective Date, pursuant to section 524(g) of the Bankruptcy Code, and any successor to such individual who is appointed to serve in such capacity in accordance with the Asbestos Trust Agreement.

1.68. General Unsecured Claim means a Claim against Hopeman that is not secured by a valid and enforceable Lien against property of Hopeman and that is not a Secured Claim, an Administrative Expense Claim, a Priority Claim, a Priority Tax Claim, or Channeled Asbestos Claim.

1.69. General Unsecured Recovery Pool means Cash in the amount of [$200,000] to be paid from the Net Reserve Funds.

1.70. HII means Huntington Ingalls Industries, Inc.

1.71. Hopeman means (a) Hopeman Brothers, Inc., a Virginia corporation, and its predecessors; and (b) the debtor and Debtor in Possession in the Chapter 11 Case.

1.72. Impaired means, when used with respect to a Claim or an Equity Interest, a Claim or Equity Interest that is impaired within the meaning of section 1124 of the Bankruptcy Code.

1.73. Insurance Policy Action has the meaning ascribed to that term in Section 8.13 of this Plan.

1.74. Insured Asbestos Claim means a Channeled Asbestos Claim that is not an Uninsured Asbestos Claim.

1.75. Lien means any charge against or interest in property to secure payment of a debt or performance of an obligation.

1.76. Net Reserve Funds means the lesser of (i) Cash in the amount to be disclosed in the Plan Supplement or (ii) the amount of Cash held by Hopeman as of the Effective Date, to be set aside by Hopeman on the Effective Date for the purpose of paying or making the Distributions contemplated by the Plan with respect to (a) Allowed Administrative Expense Claims, Allowed Priority Tax Claims, Allowed Priority Claims, Allowed Secured Claims, and Allowed General

Unsecured Claims (including the payment of any interest on any such Claims that may be allowed under the Plan or required to be paid by the Bankruptcy Code), (b) any fees and expenses of Hopeman, Reorganized Hopeman, the Committee and the Future Claimants' Representative that are payable by Hopeman or Reorganized Hopeman, as applicable, pursuant to the Plan, (c) any fees payable pursuant to section 1930 of title 28 of the United States Code (whether those fees pursuant to section 1930 of title 28 are payable before or after the Effective Date, (d) any other amounts that the Plan provides are to be paid from the Net Reserve Funds, and (e) such amounts as Reorganized Hopeman determines, in the reasonable exercise of its discretion, are or will be sufficient to fully satisfy (as and when due) all franchise taxes and other expenditures that are necessary to maintain its corporate existence in good standing under the laws of the state of its formation or that otherwise are necessary for Reorganized Hopeman to conduct its business after the Effective Date.

1.77. Non-Asbestos Claim means any Claim against Hopeman that is not an Asbestos Personal Injury Claim.

1.78. Non-Asbestos Insurer means any Entity, including any insurance company, broker, or guaranty association, that has issued, or that has any actual or potential liabilities, duties or obligations under or with respect to any Non-Asbestos Insurance Policy.

1.79. Non-Asbestos Insurance Policy means any insurance policy that provides coverage to Hopeman that is not an Asbestos Insurance Policy.

1.80. Non-Settling Asbestos Insurer means an Asbestos Insurer that is not a Settled Asbestos Insurer. For the avoidance of doubt, notwithstanding any provision herein to the contrary, the term "Non-Settling Asbestos Insurer" shall include Liberty Mutual Insurance Company.

1.81. Person means person as defined in section 101(41) of the Bankruptcy Code.

1.82. Petition Date means June 30, 2024, the date on which the petition was filed by Hopeman pursuant to section 301 of the Bankruptcy Code to commence this Chapter 11 Case.

1.83. Plan means this plan of reorganization of Hopeman under chapter 11 of the Bankruptcy Code, including any supplements, schedules and exhibits hereto, either in its present form or as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof.

1.84. Plan Documents means, collectively, (a) the Plan and all exhibits thereto, (b) the Disclosure Statement and all exhibits thereto, (c) the Plan Supplement, and (d) any other document necessary to implement the Plan.

1.85. Plan Proponents means Hopeman and the Committee.

1.86. Plan Supplement means the supplement to the Plan to be filed with the Bankruptcy Court no later than five (5) Business Days prior to the deadline for the filing and service of objections to the Plan or such later date as the Bankruptcy Court may approve, all of which are incorporated herein by reference.

1.87. Prepetition Non-Asbestos Claims Bar Dates means (a) November 4, 2024, which the Bankruptcy Court fixed as the deadline to file a Proof of Claim for any Claim arising before the Petition Date other than an Asbestos Personal Injury Claim and a Claim held by a Governmental Unit, and (b) December 27, 2024, which the Bankruptcy Court fixed as the deadline for Governmental Units to file a Proof of Claim for any Claim arising before the Petition Date other than an Asbestos Personal Injury Claim.

1.88. Priority Non-Tax Claim means any Claim entitled to priority in right of payment pursuant to section 507(a) of the Bankruptcy Code that is not an Administrative Expense Claim or a Priority Tax Claim.

1.89. Priority Tax Claim means any Claim entitled to priority pursuant to section 507(a)(8) of the Bankruptcy Code.

1.90. Proceeds means all cash, interest, profits, dividends, proceeds, products, and rents earned, accrued, collected, derived, received, or recovered on account of the liquidation, sale, transfer, enforcement, or other disposition of property, including all "proceeds" as defined under section 9-102(64) of the Uniform Commercial Code, and all proceeds on proceeds.

1.91. Pro Rata means the proportion that the face amount of a Claim in a particular Class or Classes bears to the aggregate face amount of all Claims (including Disputed Claims but excluding Disallowed Claims) in such Class or Classes, unless the Plan provides otherwise.

1.92. Professional means any person retained or to be compensated pursuant to section 327, 328, 330, 363, 503(b), or 1103 of the Bankruptcy Code.

1.93. Professional Fee Claim means any Claim of a (a) Professional for allowance of compensation and/or reimbursement of costs and expenses, and (b) member of the Committee for reimbursement of costs and expenses, in each case incurred in the Chapter 11 Case on or before the Effective Date.

1.94. Proof of Claim means any proof of claim or interest filed with the Bankruptcy Court or the Claims and Balloting Agent pursuant to section 501 of the Bankruptcy Code and Rule 3001 or 3002 of the Bankruptcy Rules that asserts a Claim against or Interest in Hopeman.

1.95. Protected Party shall mean each of the following persons or entities (collectively referred to herein as "**Protected Parties**"):

(a) Hopeman or Reorganized Hopeman;

(b) current and former directors, officers, or employees of Hopeman, or any past or present Affiliate of Hopeman, solely in their respective capacities as such; or

(c) any Settled Asbestos Insurer, solely in its capacity as such.

1.96. Released Parties means current and former directors, officers, or employees of Hopeman, or any past or present Affiliate of Hopeman, except Wayne, solely in their respective capacities as such.

1.97. Releasing Party means collectively: (a) all holders of Asbestos Claims and (b) all holders of Non-Asbestos Claims or Equity Interests who affirmatively opt in to the releases provided by the Plan by checking the box on the applicable form indicating that they opt in to grant the releases provided in the Plan in accordance with the procedures set forth in the Solicitation Procedures Order.

1.98. Reorganized Hopeman means Hopeman on and after the Effective Date.

1.99. Reorganized Hopeman Common Stock means all of the issued and outstanding shares of common stock of Reorganized Hopeman to be deemed authorized and issued under Section 8.6.

1.100. Representative means, with respect to any specified Entity, any current or former officer, director, employee, agent, attorney, accountant, financial advisor, expert, consultant, or other representative of any specified Entity.

1.101. Restructuring Transactions means the acquisition by Hopeman or Reorganized Hopeman of the low-cost, income-generating business or interest in such business, which acquisition cost will be $500,000 or less, described in Exhibit F.

1.102. Schedules means the schedules of assets and liabilities and the statements of financial affairs of Hopeman as filed with the Bankruptcy Court by Hopeman after the Petition Date in accordance with section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules and statements may be amended or supplemented from time to time.

1.103. Secured Claim means a Claim that is: (a) secured by a valid, duly perfected, non-avoidable security interest in the interest of Hopeman in property, to the extent of the value, as of the Effective Date or such other date as is established by the Bankruptcy Court, of such claimholder's interest in Hopeman's interest in such property, as determined by a Final Order of the Bankruptcy Court pursuant to section 506(a) of the Bankruptcy Code or as otherwise agreed in writing by Hopeman and the claimholder; or (b) secured by the amount of any valid, non-avoidable rights of setoff of the holder thereof under section 553 of the Bankruptcy Code.

1.104. Settled Asbestos Insurer means any Asbestos Insurer that is a party to an Asbestos Insurance Settlement.

1.105. Solicitation Procedures Order means the order of the Bankruptcy Court approving the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code, approving the combined hearing of the Plan and Disclosure Statement, and approving the method of solicitation of votes on the Plan. Hopeman anticipates filing a motion, contemporaneously with the filing of this Plan, seeking approval of the Solicitation Procedures Order.

1.106. Trust Transfer has the meaning ascribed to that term in Section 8.13.

1.107. Unimpaired means, when used with respect to a Claim or an Equity Interest, any Claim or Equity Interest that is not Impaired.

1.108. Uninsured Asbestos Claim means a Channeled Asbestos Claim (a) with a date of first exposure to asbestos or asbestos-containing products or things falling after January 1, 1985, or (b) for which no coverage under any Asbestos Insurance Policy is available due to settlement (including an Asbestos Insurance Settlement), exhaustion, or a final and non-appealable ruling on a coverage issue or defense.

1.109. United States Trustee means the United States Trustee appointed under section 581 of title 28 of the United States Code to serve in the Eastern District of Virginia.

1.110. United States Trustee Fees means the fees payable to the United States Trustee in accordance with 28 U.S.C. § 1930.

1.111. Vendor Released Parties means those Entities listed on Exhibit G hereto, each of which is a vendor, including professionals, that provided services to Hopeman prior to the Petition Date.

1.112. Wayne means Wayne Manufacturing Corporation, a dissolved company, and its predecessors.

1.113. Worker Compensation Claim means any Claim (a) for the benefits under a government-mandated workers' compensation system, which a past, present, or future employee of Hopeman or any predecessor of Hopeman is receiving, or may in the future have a right to receive, or (b) for reimbursement, contribution, subrogation, or indemnity brought by any insurer or Governmental Unit as a result of payments made to or for the benefit of such employees under such a system and the fees and expenses incurred under any insurance policies or laws or regulations covering such employee claims.

B. Interpretation; Application of Definitions and Rules of Construction.

Unless otherwise specified, all Article, schedule or exhibit references in the Plan are to the respective Article of or schedule or exhibit to the Plan or the Plan Supplement, as the same may be amended or modified from time to time. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to the Plan as a whole and not to any particular Article, Section, subsection, paragraph, or clause. The word "will" is to be construed as having the same meaning and effect as the word "shall," and vice-versa. With respect to a distribution under the Plan, "on" a date means on or as soon as reasonably practical thereafter. A capitalized term used but not defined herein shall have the meaning ascribed to that term in the Bankruptcy Code. Pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and neuter genders. The rules of construction contained in section 102 of the Bankruptcy Code shall apply to the construction of the Plan, except that, in addition to section 102(7), the plural includes the singular. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. Any immaterial effectuating provisions may be interpreted by the Plan Proponents in a manner that is consistent with the overall purpose and intent of the Plan, all without further notice or order of the Bankruptcy Court.

C. Reference to Hopeman or Reorganized Hopeman.

Except as otherwise specifically provided in the Plan to the contrary, references in the Plan to Hopeman or to Reorganized Hopeman shall mean Hopeman and Reorganized Hopeman, as applicable, to the extent the context requires.

D. Reference to Monetary Figures.

All references in the Plan to dollar amounts or other monetary figures refer to the currency of the United States of America, unless otherwise expressly provided.

ARTICLE II

ADMINISTRATIVE EXPENSE AND PRIORITY TAX CLAIMS

2.1. Administrative Expense Claims.

(a) Filing Administrative Expense Claims. The holder of an Administrative Expense Claim, other than (a) a Professional Fee Claim covered by Section 2.2, (b) a liability incurred and payable in the ordinary course of business by Hopeman after the Petition Date that has been paid by Hopeman, or (c) an Administrative Expense Claim that has been Allowed and/or paid in full on or before the Effective Date, must file and serve on Reorganized Hopeman a request for payment of such Administrative Expense Claim pursuant to section 503(a) of the Bankruptcy Code so that it is received no later than the Administrative Expense Claim Bar Date. Holders required to file and serve but who fail to file and serve a request for payment of Administrative Expense Claims by the Administrative Expense Claim Bar Date shall be forever barred from asserting such Administrative Expense Claims against Hopeman, Reorganized Hopeman, and their property, and such Administrative Expense Claims shall be deemed waived and released as of the Effective Date. Notwithstanding the foregoing, pursuant to section 503(b)(1)(D) of the Bankruptcy Code, no Governmental Unit shall be required to file a request for payment of any Administrative Expense Claim of a type described in sections 503(b)(1)(B) or 503(b)(1)(C) of the Bankruptcy Code as a condition to such Claim being Allowed.

(b) Allowance of Administrative Expense Claims. An Administrative Expense Claim, with respect to which a request for payment has been properly and timely filed pursuant to Section 2.1(a), shall become an Allowed Administrative Expense Claim if no objection to such request is filed with the Bankruptcy Court and served on Reorganized Hopeman and the requesting party on or before the thirtieth (30th) calendar day after the Administrative Expense Claim Bar Date, as the same may be modified or extended from time to time by order of the Bankruptcy Court. If an objection is timely filed, the Administrative Expense Claim shall become an Allowed Administrative Expense Claim only to the extent Allowed by a Final Order or as such Claim is settled, compromised, or otherwise resolved pursuant to Article VII.

(c) Payment of Allowed Administrative Expense Claims. Except to the extent that an Administrative Expense Claim already has been paid during the Chapter 11 Case or the holder of an Allowed Administrative Expense Claim agrees to less favorable treatment, and except as provided for Professional Fee Claims in Section 2.2, each holder of an Allowed Administrative Expense Claim against Hopeman shall receive, in full and complete settlement, release, and

discharge of such Claim, Cash, to be paid from the Net Reserve Funds, equal to the unpaid amount of such Allowed Administrative Expense Claim on the latest of (i) the Effective Date or as soon thereafter as reasonably practicable; (ii) the first Business Day that is at least thirty (30) calendar days after the date on which such Administrative Expense Claim becomes Allowed; and (iii) such other date as may be agreed to by such holder and Reorganized Hopeman or as otherwise ordered by the Bankruptcy Court; *provided*, *however*, that Allowed Administrative Expense Claims (other than a Professional Fee Claim covered by Section 2.2) representing liabilities incurred in the ordinary course of business by Hopeman, as Debtor in Possession, may be paid by Hopeman, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any agreements governing, instruments evidencing, or other documents relating to such transactions.

2.2. Professional Fee Claims. Each Professional requesting compensation pursuant to section(s) 327, 328, 330, 331, 363, 503(b), or 1103 of the Bankruptcy Code for services rendered in connection with the Chapter 11 Case before the Effective Date shall (a) file with the Bankruptcy Court, and serve on counsel to Reorganized Hopeman, an application for allowance of final compensation and reimbursement of expenses in the Chapter 11 Case on or before the date that is forty-five (45) calendar days after the Effective Date, and (b) after notice and a hearing in accordance with the procedures established by the Bankruptcy Code and the Bankruptcy Rules and any prior orders of the Bankruptcy Court in the Chapter 11 Case, be paid by Reorganized Hopeman, in Cash from the Net Reserve Funds, in such amounts as are Allowed by the Bankruptcy Court (i) no later than thirty (30) calendar days after the date upon which the order relating to any such Allowed Claim is entered or (ii) upon such other terms as may be mutually agreed upon between the holder of such an Allowed Claim and Reorganized Hopeman or as otherwise ordered by the Bankruptcy Court.

2.3. Priority Tax Claims. Except to the extent that the holder of an Allowed Priority Tax Claim has been paid by Hopeman prior to the Effective Date or agrees to less favorable treatment, each holder of an Allowed Priority Tax Claim shall receive, in full and complete settlement, release, and discharge of such Claim, Cash from the Net Reserve Funds in an amount equal to the unpaid portion of such Allowed Priority Tax Claim, on the latest of (i) the Effective Date, (ii) thirty (30) days after the date such Priority Tax Claim becomes an Allowed Claim, or as soon thereafter as is practicable, and (iii) the date such Allowed Priority Tax Claim becomes due and payable under applicable non-bankruptcy law.

ARTICLE III

CLASSIFICATION OF CLAIMS AND INTERESTS

Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of classes of Claims against and Equity Interests in Hopeman.

3.1. Classification. The categories of Claims and Equity Interests listed below, other than Administrative Expense Claims (including Professional Fee Claims) and Priority Tax Claims, are classified for all purposes, including voting, confirmation, and distribution pursuant to the Plan, as follows:

Class	Designation	Impairment	Entitled to Vote
Class 1	Priority Non-Tax Claims	Unimpaired	No (presumed to accept)
Class 2	Secured Claims	Unimpaired	No (presumed to accept)
Class 3	General Unsecured Claims	Impaired	Yes
Class 4	Channeled Asbestos Claims	Impaired	Yes
Class 5	Equity Interests	Impaired	No (deemed to reject)

ARTICLE IV

TREATMENT OF CLASSIFIED CLAIMS AND INTERESTS

4.1. ***Class 1 – Priority Non-Tax Claims***.

(a) Classification. Class 1 consists of all Priority Non-Tax Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Priority Non-Tax Claim agrees to less favorable treatment, each holder of an Allowed Priority Non-Tax Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed Priority Non-Tax Claim, Cash to be paid from the Net Reserve Funds in an amount equal to the Allowed Amount of such Claim on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter.

(c) Impairment and Voting. Class 1 is Unimpaired under the Plan. Each holder of a Priority Non-Tax Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

4.2. ***Class 2 - Secured Claims.***

(a) Classification. Class 2 consists of all Secured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed Secured Claim agrees to less favorable treatment, on the Effective Date or as soon as reasonably practicable thereafter, each holder of an Allowed Secured Claim shall receive, at the option of Reorganized Hopeman and in full and complete settlement, release, and discharge of, and in exchange for, such Claim (i) payment in full in Cash to be paid from the Net Reserve Funds; (ii) the collateral securing such Allowed Secured Claim; or (iii) other treatment rendering such Claim Unimpaired.

(c) Impairment and Voting. Class 2 is Unimpaired under the Plan. Each holder of a Secured Claim is conclusively presumed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and, accordingly, is not entitled to vote to accept or reject the Plan.

4.3. ***Class 3 - General Unsecured Claims.***

(a) Classification. Class 3 consists of all General Unsecured Claims.

(b) Treatment. Except to the extent that the holder of an Allowed General Unsecured Claim agrees to less favorable treatment, each holder of an Allowed General Unsecured Claim shall receive, in full and complete settlement, release, and discharge of, and in exchange for, such Allowed General Unsecured Claim, Cash in an amount equal to its Pro Rata share of the General Unsecured Recovery Pool on the later of (i) the Effective Date, and (ii) the date on which such Claim becomes Allowed, or, in each case, as soon as reasonably practicable thereafter. Solely for purposes of calculating Distributions to holders of Allowed General Unsecured Claims, on the Effective Date, all Disputed General Unsecured Claims will be treated as though they are Allowed in the amounts asserted or as estimated by the Bankruptcy Court pursuant to section 502(c) of the Bankruptcy Code, and a reserve will be set aside for such Disputed General Unsecured Claims.

(c) Impairment and Voting. Class 3 is Impaired under the Plan. Each holder of a General Unsecured Claim is entitled to vote to accept or reject the Plan.

4.4. ***Class 4 – Channeled Asbestos Claims***.

(a) Classification. Class 4 consists of all Channeled Asbestos Claims.

(b) Treatment. As of the Effective Date, liability for all Channeled Asbestos Claims shall automatically, and without further act, deed, or court order, be channeled exclusively to and assumed by the Asbestos Trust in accordance with, and to the extent set forth in, Articles VIII and X hereof, the applicable Plan Documents, and the Confirmation Order. All Channeled Asbestos Claims shall be treated pursuant to the terms of Article VIII, the Asbestos Trust Agreement, and the Asbestos Trust Distribution Procedures. Except as provided in Article VIII, pursuant to section 524(g) of the Bankruptcy Code, the Plan, and the Confirmation Order, Channeled Asbestos Claims shall be subject to the Asbestos Permanent Channeling Injunction.

(c) Impairment and Voting. Class 4 is Impaired under the Plan. Each holder of an Asbestos Claim is entitled to vote to accept or reject the Plan.

4.5. ***Class 5 – Equity Interests.***

(a) Classification. Class 5 consists of all Equity Interests.

(b) Treatment. On the Effective Date, the Equity Interests in Hopeman shall be cancelled, annulled, and extinguished.

(c) Impairment and Voting. Class 5 is Impaired under the Plan. Holders of Interests are deemed to reject the Plan pursuant to section 1126(g) of the Bankruptcy Code and, accordingly, are not entitled to vote to accept or reject the Plan.

ARTICLE V

DISTRIBUTIONS UNDER THE PLAN ON ACCOUNT OF CLAIMS OTHER THAN CHANNELED ASBESTOS CLAIMS

5.1. Distributions. Other than with respect to payments to be made on account of Channeled Asbestos Claims and Asbestos Trust Expenses from the Asbestos Trust, Reorganized Hopeman shall make all Distributions required to be made under the Plan as provided under this Article V. All distributions to be made by the Asbestos Trust shall be made in accordance with the terms of Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures.

5.2. Record Date for Holders of Claims. Except as otherwise provided in a Final Order, the transferees of Claims that are transferred pursuant to Rule 3001 of the Bankruptcy Rules on or prior to the Distribution Record Date shall be treated as the holders of such Claims for all purposes, notwithstanding that any period provided by Rule 3001 for objecting to such transfer has not expired by the Distribution Record Date.

5.3. Postpetition Interest on Claims. Except as otherwise provided for in this Plan (including Section 4.2), the Plan Documents, or the Confirmation Order, or any contract, instrument, release, settlement, or other agreement entered into in connection with the Plan, or unless required by applicable bankruptcy law, interest accruing on or after the Petition Date on account of any Claim shall not be paid.

5.4. Means of Cash Payment. At the option of Hopeman or Reorganized Hopeman, as applicable, any Cash payment to be made hereunder may be made by a check or wire transfer or as otherwise required or provided in any applicable agreement.

5.5. Delivery of Distributions. All Distributions to any holder of an Allowed Claim shall be made at the address of such holder as set forth on (i) the Schedules filed with the Bankruptcy Court, (ii) a proof of claim filed by or on behalf of such holder in the Chapter 11 Case, if the address is different from the Schedules, or (iii) if neither (i) or (ii) applies, the books and records of Hopeman, unless Hopeman or Reorganized Hopeman has been notified in writing of a change of address.

If any holder's Distribution is returned as undeliverable, then no further Distributions to such holder shall be made unless and until Reorganized Hopeman is notified of such holder's then-current address, at which time all missed Distributions shall be made to such holder without interest. A Cash Distribution that is not claimed by the expiration of six (6) months from the date that such Distribution was made – along with any further Distributions withheld under this Section 5.5 – shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall be returned to the Net Reserve Funds, and the Claim of any holder to such Distributions or any further Distributions shall be discharged and forever barred. Nothing contained in the Plan shall require Hopeman or Reorganized Hopeman to attempt to locate any holder of an Allowed Claim.

5.6. Time Bar to Cash Payments. Checks issued by Reorganized Hopeman in respect of Distributions on Allowed Claims shall be null and void if not presented for payment within ninety (90) days after the date of issuance thereof. Requests for reissuance of any check shall be made in writing to Reorganized Hopeman by the holder of the Allowed Claim to whom such check

originally was issued on or before thirty (30) days after the expiration of the ninety (90) day period following the date of issuance of such check. All funds held on account of a check voided in accordance with this Section 5.6 shall be returned to the Net Reserve Funds, and the Claim of any holder to such Distributions shall be discharged and forever barred.

5.7. Prepayment of Claims. Except as otherwise provided in the Plan, the other Plan Documents, or the Confirmation Order, Reorganized Hopeman shall have the right to prepay, without penalty, all or any portion of an Allowed Claim at any time; provided, that any such prepayment shall not violate or otherwise prejudice the relative priorities among the Classes of Claims.

5.8. Minimum Distributions; Fractional Cents. Notwithstanding any other provision in the Plan to the contrary, no Distribution will be made to any holder of a General Unsecured Claim for which the Allowed Amount is less than $50.00, and no payment of fractional cents will be made pursuant to the Plan. Whenever any payment of a fraction of a cent under the Plan would otherwise be required, the actual Distribution made will reflect a rounding of such fraction to the nearest whole penny (up or down), with fractions of more than half a penny being rounded up and fractions of half a penny or less being rounded down.

5.9. Setoff and Recoupment. Hopeman or Reorganized Hopeman (or the Asbestos Trust to the extent it pertains to a Channeled Asbestos Claim) may, but shall not be required to, set off or recoup against any Claim (for purposes of determining the Allowed Amount of such Claim on which Distribution shall be made), any claims of any nature whatsoever that Hopeman or Reorganized Hopeman may have against the holder of such Claim, and the failure to do so shall not constitute a waiver or release by Hopeman or Reorganized Hopeman of any such Claims that Hopeman may have against the holder of such Claim.

ARTICLE VI

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

6.1. General Treatment. As of the Effective Date and except as otherwise provided in the Plan (including with respect to Sections 6.2 and Section 8.3) or in any contract, instrument, release or other agreement or document entered into in connection with the Plan, all Executory Contracts to which Hopeman is a party are hereby rejected, except for any Executory Contract that (a) has previously been rejected pursuant to a Final Order of the Bankruptcy Court, (b) is the subject of a separate rejection motion filed by Hopeman under section 365 of the Bankruptcy Code before the Confirmation Date, (c) is an asbestosicy or Asbestos CIP Agreement, or (d) is a Non-Asbestos Insurance Policy. The Confirmation Order shall constitute the Bankruptcy Court's approval of the rejection of the contracts and leases rejected hereby.

6.2. Asbestos Insurance Agreements. For the avoidance of doubt, none of the Asbestos Insurance Policies or Asbestos CIP Agreements are being rejected, altered, or otherwise modified pursuant to this Plan, and all parties' respective rights, duties, defenses, obligations, and liabilities thereunder are hereby preserved, except to the extent of an Asbestos Insurance Policy or Asbestos CIP Agreement that is the subject of and only to the extent contemplated by and provided

for in an Asbestos Insurance Settlement and only to the extent approved pursuant to the entry of an order by the Bankruptcy Court or the District Court.

Furthermore, Hopeman does not believe that any of the Asbestos Insurance Policies or Asbestos CIP Agreements constitute Executory Contracts. To the extent any of the Asbestos Insurance Policies or Asbestos CIP Agreements are Executory Contracts, then, notwithstanding anything contained in the Plan to the contrary, the Plan will constitute a motion to assume any such Asbestos Insurance Policy or Asbestos CIP Agreement. Subject to the occurrence of the Effective Date, the entry of the Confirmation Order will constitute approval of such assumption pursuant to section 365(a) of the Bankruptcy Code and a finding by the Bankruptcy Court that each such assumption is in the best interest of Hopeman and its Estate. Unless otherwise determined by the Bankruptcy Court pursuant to a Final Order or agreed to by the parties thereto prior to the Effective Date, no payments are required to cure any defaults of Hopeman existing as of the Confirmation Date with respect to each such Asbestos Insurance Policy or Asbestos CIP Agreement.

For purposes of clarity, while Hopeman also does not believe that any such agreements constitute Executory Contracts, Hopeman is not assuming any prepetition settlement agreement (or any related indemnity obligations thereunder) that do not currently provide rights in favor of Hopeman to continuing coverage or payment of insurance proceeds.

In addition, nothing in this Plan, any Plan Supplement, or any other document related to or made as an exhibit to the Plan is intended to or shall limit the right of any Asbestos Insurer or Non-Asbestos Insurer to assert any insurance coverage defense available under the applicable Asbestos Insurance Policy to any Channeled Asbestos Claim, or the applicable Non-Asbestos Insurance Policy to any non-Channeled Asbestos Claim, as appropriate, asserted against Hopeman or administered by the Asbestos Trust.

6.3. Bar to Rejection Damages. In the event that the rejection of an Executory Contract by Hopeman or Reorganized Hopeman pursuant to the Plan results in damages to the nondebtor party or parties to such Executory Contract, a claim for such damages shall be forever barred and shall not be enforceable against Hopeman, Reorganized Hopeman or any of their respective properties or interests in property, and the nondebtor party or parties to such Executory Contract shall be barred from receiving any Distribution under the Plan on account of such Claim, unless a Proof of Claim with respect to such damages is filed with the Bankruptcy Court and served upon counsel for Hopeman or Reorganized Hopeman, as applicable, on or before (a) if such Executory Contract is rejected pursuant to Section 6.1 above, thirty (30) days after entry of the Confirmation Order; or (b) if such Executory Contract is rejected pursuant to a Final Order of the Bankruptcy Court granting a motion filed by Hopeman to reject such Executory Contract, thirty (30) days after entry of such order. The notice of the Effective Date to be delivered pursuant to Bankruptcy Rules 2002 and 3020(c) shall set forth the bar date for filing rejection damages claims under Section 6.2 of the Plan and constitute notice thereof.

ARTICLE VII

PROCEDURES FOR RESOLVING AND TREATING

DISPUTED CLAIMS OTHER THAN CHANNELED ASBESTOS CLAIMS AND PROFESSIONAL FEE CLAIMS

7.1. Disputed Claims. All Disputed Claims against Hopeman, other than Channeled Asbestos Claims and Professional Fee Claims, shall be subject to the provisions of this Article VII.

7.2. Objection to Claims. Except as otherwise provided in this Plan (including Section 4.2 and Section 4.3), Hopeman or Reorganized Hopeman, as the case may be, shall be entitled to file objections to Claims that have been brought in the Bankruptcy Court or should properly have been brought in the Bankruptcy Court but were brought in other forums (other than Channeled Asbestos Claims), on or before the date that is one hundred and twenty (120) days after the Effective Date (unless such day is not a Business Day, in which case such deadline shall be the next Business Day thereafter), as the same may be extended from time to time by the Bankruptcy Court. In addition, Hopeman or Reorganized Hopeman, as the case may be, may before the expiration of such period request that the Bankruptcy Court estimate any contingent or unliquidated Claim (not including any Channeled Asbestos Claim) for any reason pursuant to section 502(c) of the Bankruptcy Code, regardless of whether Hopeman previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection, and the Bankruptcy Court will retain jurisdiction to estimate such Claim at any time, including during the pendency of litigation concerning any objection to any Claim or of any appeal relating thereto. Hopeman and Reorganized Hopeman shall be authorized to settle, compromise, withdraw or litigate to judgment such objections without further approval of the Bankruptcy Court.

7.3. Payments and Distributions with Respect to Disputed Claims. Notwithstanding any other provision hereof, no payments or Distributions shall be made with respect to all or any portion of a Disputed Claim unless and until all objections to such Disputed Claim have been settled or withdrawn or have been determined by Final Order and the Disputed Claim, or some portion thereof, has become an Allowed Claim.

ARTICLE VIII

MEANS FOR IMPLEMENTATION OF THE PLAN

8.1. Generally. On and after the Confirmation Date, the Plan Proponents shall be empowered and authorized to take or cause to be taken, prior to the Effective Date, all actions necessary to enable them to implement the provisions of the Plan, including the creation of the Asbestos Trust and the preparations for the transfer of the Asbestos Trust Assets to the Asbestos Trust. On and after the Effective Date, Reorganized Hopeman shall be governed pursuant to the Amended Certificate of Incorporation and Amended By-Laws.

8.2. Transactions on the Effective Date.

(a) The following shall be deemed for all purposes to have occurred simultaneously on the Effective Date:

(i) the establishment of the Asbestos Trust;

(ii) the making of the Asbestos Trust Contribution, notwithstanding that contribution of the Excess Net Reserve Funds may occur after the Effective Date; and

(iii) the vesting in the Asbestos Trust of the Asbestos Trust Assets, as more fully described in, and subject to the conditions set forth in, Section 8.3 below.

(b) Also on the Effective Date, but after the occurrence of the events in each of Section 8.2(a)(i) through (a)(iii) hereof, the following events shall be deemed for all purposes to have occurred simultaneously:

(i) the effectiveness of the Amended Certificate of Incorporation and Amended By-Laws of Reorganized Hopeman;

(ii) the appointment of the individual(s) who will act as the officers and as the director of Reorganized Hopeman, as identified in a notice to be filed jointly by the Committee and the Future Claimants' Representative no later than two (2) days prior to the deadline established to accept or reject the Plan; and

(iii) any Distributions required to be made on the Effective Date (or as soon thereafter as is reasonably practicable).

(c) Unless the Plan or the Confirmation Order provide otherwise, actions required to be taken on the Effective Date or as soon thereafter as is reasonably practicable shall be deemed to have been made on the Effective Date.

8.3. The Asbestos Trust

(a) Creation of the Asbestos Trust. On the Effective Date, the Asbestos Trust shall be created in accordance with the Plan Documents, the Asbestos Trust Documents, and section 524(g) of the Bankruptcy Code. Subject to the provisions of the Plan, and in consideration of the transfer of the Asbestos Trust Assets to the Asbestos Trust, the Asbestos Trust shall assume all liabilities and responsibility for all Channeled Asbestos Claims, and, among other things, to: (1) direct the processing, liquidation, and payment of all compensable Channeled Asbestos Claims in accordance with this Plan, the Asbestos Trust Documents, and the Confirmation Order; (2) preserve, hold, manage, and maximize the assets of the Asbestos Trust for use in paying and satisfying Channeled Asbestos Claims; and (3) qualify at all times as a qualified settlement fund. The Asbestos Trust shall use the Asbestos Trust's assets and income to resolve Channeled Asbestos Claims in accordance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures in such a way that holders of Channeled Asbestos Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and shall otherwise comply in all respects with the requirements of a trust set forth in section 524(g)(2)(B) of the Bankruptcy Code. On the Effective Date, all right, title, and interest in and to the Asbestos Trust Assets, and any proceeds thereof, will be transferred to, and indefeasibly vested in, the Asbestos Trust, free and clear of all Claims, Demands, Equity Interests, Encumbrances, and other interests of any Entity, without any further action of the Bankruptcy Court or any Entity, but subject to Section 8.5 hereof and the remaining provisions of this Section 8.3.

(b) Transfer of the Asbestos Insurance Rights. On the Effective Date, by virtue of Confirmation, without further notice, action, or deed, the Asbestos Insurance Rights shall be automatically transferred to, and indefeasibly vested in, the Asbestos Trust, and the Asbestos Trust shall thereby become the estate representative pursuant to sections 1123(a)(5) and 1123(b)(3)(B) of the Bankruptcy Code, with the exclusive right to enforce any and all of the Asbestos Insurance Rights against any Entity, subject to the provisions of Section 8.13 and Section 8.15 hereof, and the Proceeds of the recoveries of any such Asbestos Insurance Rights shall be the property of, and shall be deposited in, the Asbestos Trust. The Asbestos Insurance Rights shall be indefeasibly vested in the Asbestos Trust free and clear of all Claims, Demands, Equity Interests, Encumbrances, and other interests of any Entity.

(c) Authority of the Asbestos Trust. As of the Effective Date, without any further action of the Bankruptcy Court or any Entity, except as otherwise expressly set forth in the Plan including, without limitation, the rights reserved to HII under Section 8.15, the Asbestos Trust shall be empowered to initiate, prosecute, enforce, sue on, defend, settle, compromise, and resolve (or decline to do any of the foregoing) all claims, rights, Causes of Action, suits and proceedings, whether in law or in equity, whether known or unknown, related to or arising from any asset, liability, or responsibility of the Asbestos Trust, including any actions arising from or related to the Asbestos Insurance Rights, in any court of competent jurisdiction consistent with applicable law.

(d) Appointment of Asbestos Trustee. On the Confirmation Date, the Bankruptcy Court shall appoint an individual designated by the Committee and the Future Claimants' Representative to serve as the initial Asbestos Trustee. The designated individual will be identified in the Asbestos Trust Agreement and appointed pursuant to the Confirmation Order. Such appointment shall be effective as of the Effective Date. The individual to serve as the initial Asbestos Trustee will be identified in the Plan Supplement. All subsequent Asbestos Trustees shall be appointed in accordance with the terms of the Asbestos Trust Agreement. For purposes of performing the duties and fulfilling the obligations under the Asbestos Trust Agreement and the Plan, the Asbestos Trustee shall be deemed to be a party in interest within the meaning of section 1109(b) of the Bankruptcy Code.

(e) Appointment of Delaware Trustee. [Wilmington Trust, N.A.] has been selected by agreement of the Committee and the Future Claimants' Representative to serve as the initial Delaware Trustee and will be identified in the Asbestos Trust Agreement and appointed pursuant to the Confirmation Order. All subsequent Delaware Trustees shall be appointed in accordance with the terms of the Asbestos Trust Agreement.

(f) Appointment of Post-Effective Date Future Claimants' Representative. On the Effective Date, the individual to be identified in the Plan Supplement shall be appointed, pursuant to this Plan, the Confirmation Order, and the Asbestos Trust Agreement, to serve as the Future Claimants' Representative on and after the Effective Date. Such Future Claimants' Representative shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Asbestos Trust Agreement. In addition to the foregoing, such Future Claimants' Representative also may, at her option, participate in any: (1) appeal of the Confirmation Order; (2) hearing on a Professional Fee Claim; and (3) adversary proceeding pending on the Effective Date to which the Future Claimants' Representative was a party.

Successor Future Claimants' Representatives will be appointed as provided in the Asbestos Trust Agreement.

(g) Appointment of Asbestos Trust Advisory Committee. Not later than ten (10) calendar days prior to the Confirmation Hearing, the Committee shall nominate six (6) individuals to serve as the initial members of the Asbestos Trust Advisory Committee. The Confirmation Order shall constitute an order of the Bankruptcy Court appointing the initial members of the Asbestos Trust Advisory Committee. The Asbestos Trust Advisory Committee shall have the functions, duties, and rights provided in, and shall serve in accordance with, the Asbestos Trust Agreement. Successor members of the Asbestos Trust Advisory Committee will be appointed as provided in the Asbestos Trust Agreement.

(h) Transfer of Claims and Demands to the Asbestos Trust. ***On the Effective Date, in consideration for the property transferred to the Asbestos Trust, and except as provided in Section 8.12, Section 8.13, and Section 8.15 hereof, all Channeled Asbestos Claims shall be transferred and channeled to, and assumed by, the Asbestos Trust pursuant to the Asbestos Permanent Channeling Injunction, and shall be resolved, liquidated, and (if eligible for payment) paid in accordance with the Asbestos Trust Agreement, the Asbestos Trust Distribution Procedures, and any other Asbestos Trust Document***. The Asbestos Trust shall have no liability for any Claims other than Channeled Asbestos Claims and Asbestos Trust Expenses, and no Claims other than Channeled Asbestos Claims and Asbestos Trust Expenses shall be transferred and channeled to, or assumed by, the Asbestos Trust. Notwithstanding the Asbestos Trust's assumption of liability and responsibility for Channeled Asbestos Claims, such assumption shall not itself operate or be construed as a release, accord and satisfaction, mutual rescission, or novation of Hopeman's obligations on account of such Claims for purposes of any Asbestos Insurance Rights solely to the extent of actions or suits against Reorganized Hopeman directly in accordance with Section 8.12 hereof (subject, however, to the discharge of any "personal liability" of Hopeman as that term is used in section 524(a) of the Bankruptcy Code and as provided in Article X hereof).

(i) Transfer of Rights and Defenses Related to Channeled Asbestos Claims. On the Effective Date, all claims, defenses, rights and Causes of Action of Hopeman arising from or related to Channeled Asbestos Claims shall be transferred and assigned to the Asbestos Trust. In accordance with section 1123(b) of the Bankruptcy Code, the Asbestos Trust shall retain and may enforce such claims, defenses, rights, and Causes of Action relating to Channeled Asbestos Claims in any court of competent jurisdiction against any Entity other than a Protected Party, and shall retain and may enforce all defenses and counterclaims to all Asbestos Claims or Demands asserted against the Asbestos Trust, including setoff, recoupment, and any rights under section 502(d) of the Bankruptcy Code. The Asbestos Trust shall be deemed to be the appointed representative of Hopeman and Reorganized Hopeman, and may, pursue, litigate, compromise, and settle any rights, claims, or Causes of Action transferred to it, as appropriate.

(j) Release. As a condition to making any payment to a Channeled Asbestos Claimant, the Asbestos Trust shall obtain from that holder a release in the form of the Asbestos Personal Injury Claimant Release.

(k) Consideration for Asbestos Permanent Channeling Injunction. The assignment, transfer, and conveyance of the Asbestos Trust Assets to the Asbestos Trust on the Effective Date supports the imposition of the Asbestos Permanent Channeling Injunction in favor of all Protected Parties as of the Effective Date.

(l) Books and Records. On the Effective Date, Hopeman shall transfer to Reorganized Hopeman all of Hopeman's books and records (including electronic records) necessary for the Asbestos Trust to investigate and resolve Channeled Asbestos Claims in accordance with Section 8.3 and Section 8.16 of this Plan, the Asbestos Trust Agreement and Asbestos Trust Distribution Procedures, including the books and records presently stored in Hopeman's warehouse in Waynesboro, Virginia, and in or in storage near the offices of Hopeman's prepetition claims administrator Special Claim Services, Inc. Notwithstanding anything to the contrary herein, holders of Asbestos Personal Injury Claims may pursue and obtain information stored in Hopeman's books and records (including electronic records) through discovery to the full extent permitted by applicable law. For the avoidance of doubt, privileges belonging to Hopeman on the Petition Date in such books and records shall belong to the Reorganized Hopeman as of the Effective Date, and the Asbestos Trust's access to such books and records shall not result in the destruction or waiver of any applicable privileges pertaining to such books and records.

(m) Institution and Maintenance of Legal and Other Proceedings. From and after the Effective Date, the Asbestos Trust shall be empowered and entitled, in its sole and absolute discretion and at its own expense, to pursue, compromise, or settle all legal actions and other proceedings related to any asset, liability, or responsibility of the Asbestos Trust that is not released pursuant to the Plan.

(n) Asbestos Trust Expenses. The Asbestos Trust shall pay all Asbestos Trust Expenses from the Asbestos Trust Assets. The Plan Proponents, Hopeman's Estate, Reorganized Hopeman, the Protected Parties, and any of them, shall not have any obligation to pay any Asbestos Trust Expenses or any other liabilities of the Asbestos Trust. The Asbestos Trust shall promptly pay all Asbestos Trust Expenses incurred by Reorganized Hopeman for any liabilities, costs, or expenses as a result of taking any action on behalf of, and at the direction of, the Asbestos Trust.

(o) Indemnification. The Asbestos Trust shall, pursuant to the terms of the Asbestos Trust Agreement, indemnify and hold harmless the Protected Parties for any liability or alleged liability arising out of, or resulting from, or attributable to, a Channeled Asbestos Claim, including fines and penalties resulting from the Asbestos Trust's failure to comply with Section 8.14 of the Plan or the Asbestos Trust Agreement. Indemnification claims arising under this Section 8.3(o) will not be subject to the Asbestos Trust Distribution Procedures.

(p) Investment Policy. Pursuant to the Asbestos Trust Agreement, all monies held in the Asbestos Trust shall be invested, subject to the investment limitations and provisions enumerated in the Asbestos Trust Agreement and shall not be limited to the types of investments described in section 345 of the Bankruptcy Code.

(q) Excess Asbestos Trust Assets. To the extent there are any Asbestos Trust Assets remaining at such time as the Asbestos Trust is dissolved, such excess Asbestos Trust

Assets shall be transferred to a charity or charities in which the Asbestos Trustee has no financial interest or other connection for such charitable purposes as the Asbestos Trustee, in his or her reasonable discretion, shall determine, provided that, if practicable, the charity or charities to which such excess Asbestos Trust Assets are transferred shall be related to the treatment of, research on, or the relief of suffering of individuals suffering from asbestos-related disorders.

(r) Dissolution of Asbestos Trust. Upon dissolution of the Asbestos Trust: (1) the Asbestos Trustee, members of the Asbestos Trust Advisory Committee and the Future Claimants' Representative shall be released and discharged from all further authority, duties, responsibilities, and obligations relating to and arising from and in connection with the Chapter 11 Case; and (2) the Asbestos Trust Advisory Committee shall be dissolved.

8.4. Amended Certificate of Incorporation and By-Laws. The Amended Certificate of Incorporation and Amended By-Laws shall contain such provisions as are necessary to satisfy the provisions of the Plan and, to the extent necessary, to prohibit the issuance of nonvoting equity securities as required by section 1123(a)(6) of the Bankruptcy Code. Notwithstanding the foregoing, the Amended Certificate of Incorporation and Amended By-Laws may be amended after the Effective Date as permitted by applicable law.

8.5. Net Reserve Funds. No later than the Effective Date, Hopeman or Reorganized Hopeman, as applicable, shall either establish a bank account or utilize an existing bank account of Hopeman for the purpose of holding only the Net Reserve Funds. Hopeman, Reorganized Hopeman, or their respective designees, as applicable, shall make any and all disbursements from the Net Reserve Funds that are provided in the Plan. The Net Reserve Funds shall be used for the sole purpose of paying or making Distributions in accordance with the Plan. Any Excess Net Reserve Funds shall be contributed by Reorganized Hopeman to the Asbestos Trust, and that contribution shall be part of the Asbestos Trust Contribution.

8.6. Reorganized Hopeman Common Stock. On the Effective Date, all the existing Equity Interests in Hopeman shall be cancelled, annulled, and extinguished, and 100% of the Reorganized Hopeman Common Stock shall be authorized and issued to the Asbestos Trust.

8.7. Corporate Governance of Reorganized Hopeman. On the Effective Date, (a) the current officers and directors of Hopeman shall be deemed to resign from their respective positions by operation of the Plan, and (b) the individual(s) identified in a notice to be filed jointly by the Committee and the Future Claimants' Representative no later than two (2) days prior to the deadline established to accept or reject the Plan shall be appointed to serve as the officers and as the director of Reorganized Hopeman.

8.8. Operations of Hopeman Between Confirmation and the Effective Date. Hopeman shall continue to operate as a debtor and Debtor-in-Possession during the period from the Confirmation Date through and until the Effective Date. After the Effective Date, Reorganized Hopeman shall conduct the business for which Section 8.11 of the Plan provides, including fully satisfying (as and when due) all franchise taxes and other expenditures that are necessary to maintain its corporate existence in good standing under the laws of the state of its formation or that otherwise are necessary for Reorganized Hopeman to conduct the business for which Section 8.11 provides.

8.9. Corporate Action. All matters provided for under the Plan involving the corporate structure of Hopeman or Reorganized Hopeman, or any corporate action to be taken by, or required of Hopeman or Reorganized Hopeman, shall be deemed to have occurred and be effective as provided herein, and shall be authorized and approved in all respects (and, if taken prior to the Effective Date, shall be deemed ratified in all respects on the Effective Date), without any requirement for further action by the stockholders or directors of any such entities.

8.10. Restructuring Transactions. On or after the Confirmation Date, Hopeman or Reorganized Hopeman may take such actions as it determines to be necessary or appropriate to effectuate, implement, and consummate the Restructuring Transactions set forth on Exhibit F.

8.11. Continued Corporate Existence. Except as otherwise provided herein (and subject to the Restructuring Transactions), Hopeman will, as a reorganized debtor, continue to exist after the Effective Date as a separate corporate or other legal Entity, with all powers of a corporation or other legal Entity under applicable law and without prejudice to any right to alter or terminate such existence (whether by merger, dissolution or otherwise) under applicable state law. On and after the Effective Date, Reorganized Hopeman may operate its business and may use, acquire, and dispose of property and compromise or settle any Claims without supervision or approval of the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules, other than those restrictions expressly imposed by the Plan or Confirmation Order.

8.12. Actions Against Reorganized Hopeman or Wayne to Obtain Benefits of Asbestos Insurance Coverage.

(a) Except as otherwise permitted under Section 8.16, on and after the Effective Date, a Channeled Asbestos Claimant shall have the right to initiate, commence, continue, or prosecute an action against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust), and, where permitted by applicable nonbankruptcy law, any Non-Settling Asbestos Insurer for Wayne, in a court of competent jurisdiction to obtain the benefit of Asbestos Insurance Coverage.

(b) If a Channeled Asbestos Claimant commences such an action on account of its Channeled Asbestos Claim, the complaint shall name Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or any Non-Settling Asbestos Insurer for Wayne as a defendant and shall be deemed by operation of law to be an action against Reorganized Hopeman or any Non-Settling Asbestos Insurer for Wayne, as applicable. Such an action may be filed in any court where Hopeman was subject to *in personam* jurisdiction as of the Petition Date or any other court of competent jurisdiction. Any such action shall be served on the Asbestos Trust, which shall provide notice of such action, as appropriate, to all Non-Settling Asbestos Insurers. Notwithstanding the foregoing, Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, appear, or otherwise participate in the action in any respect other than as set forth in this Plan and as may be necessary to comply with applicable Asbestos Insurance Cooperation Obligations.

(c) Any liability of Reorganized Hopeman or Wayne to any Entity, including any Channeled Asbestos Claimant or Asbestos Insurer, that is based on, arises from, or is

attributable to any action commenced under this Section 8.12 shall be enforceable only against the Asbestos Insurance Coverage provided by the Non-Settling Asbestos Insurers and not against any other asset, including any other Asbestos Insurance Right, of the Asbestos Trust or Reorganized Hopeman.

8.13. Actions Against Non-Settling Asbestos Insurers to Obtain Benefits of Asbestos Insurance Coverage.

(a) Except as otherwise permitted under this Section 8.13 or in Section 8.15, the Asbestos Trust shall have the exclusive right to pursue, monetize, settle, or otherwise obtain the benefit of the Asbestos Insurance Rights, including with respect to any unpaid insurance Proceeds applicable to a judgment or settlement obtained or entered into by a Channeled Asbestos Claimant in accordance with Section 8.12 hereof.

(b) If a Channeled Asbestos Claimant has entered into an enforceable settlement agreement with a Non-Settling Asbestos Insurer pertaining to his Channeled Asbestos Claim and such Non-Settling Asbestos Insurer has not timely paid or has refused to pay the amount provided in such settlement, such Channeled Asbestos Claimant may commence a breach-of-contract action or other form of collection action against such Non-Settling Asbestos Insurer to recover the settlement payment owed.

(c) Any Channeled Asbestos Claimant who (1) has obtained a judgment against Reorganized Hopeman or Wayne in accordance with Section 8.12 hereof, or (2) has the right under applicable nonbankruptcy law to name, join, or substitute as a defendant an Asbestos Insurer, may, to obtain the benefits of Asbestos Insurance Coverage, commence a judgment-enforcement action or a direct action against the relevant Non-Settling Asbestos Insurer ("**Insurance Policy Action**") in accordance with the terms of this Section 8.13, subject to the following conditions:

(i) If any Non-Settling Asbestos Insurer against whom an Insurance Policy Action is brought asserts as a defense that it would have a claim as a result of contribution rights against one or more Settled Asbestos Insurers with respect to the Channeled Asbestos Claimant's claim that it could have asserted but for the Asbestos Permanent Channeling Injunction ("**Contribution Claim**"), the liability, if any, of the Non-Settling Asbestos Insurer to the Channeled Asbestos Claimant shall be reduced dollar-for-dollar by the amount, if any, of any judgment establishing the Contribution Claim in accordance with this Section 8.13.

(ii) In determining the amount of any Contribution Claim that operates to reduce the liability of a Non-Settling Asbestos Insurer in any Insurance Policy Action, the Channeled Asbestos Claimant may assert the legal or equitable rights or defenses, if any, of the Settled Asbestos Insurers with respect to such Contribution Claims, and for purposes of this Section 8.13(c)(ii), all Settled Asbestos Insurers, in exchange for their status as a Protected Party and for receiving the benefits of the Asbestos Permanent Channeling Injunction, shall be deemed to have transferred or assigned such legal or equitable rights or defenses to Channeled Asbestos Claimants; *provided* that the Channeled Asbestos Claimant shall not be permitted to argue that any Contribution Claims are not properly asserted against the Channeled Asbestos Claimant or that the Asbestos Permanent Channeling Injunction bars or affects in any way such Contribution Claims

in connection with the Channeled Asbestos Claimant's claim against the Non-Settling Asbestos Insurer.

(iii) If a court reduces the amount of liability of a Non-Settling Asbestos Insurer in an Insurance Policy Action based on the share attributable to a Settled Asbestos Insurer consistent with this Section 8.13, the Channeled Asbestos Claimant whose judgment has been reduced may seek payment from the Asbestos Trust for all or a portion of the amount of the judgment reduction attributable to the Settled Asbestos Insurer's share, but only as permitted by and in accordance with the Asbestos Trust Distribution Procedures.

(iv) If the Asbestos Trust enters into an Asbestos Insurance Settlement with an Asbestos Insurer that is a party to a pending Insurance Policy Action, and if such Asbestos Insurance Settlement is approved by the Bankruptcy Court, the Channeled Asbestos Claimant pursuing such Insurance Policy Action shall (I) be deemed to release any rights transferred to it via the Trust Transfer, without further notice or action by any Entity, and (II) terminate its Insurance Policy Action with respect to that Asbestos Insurer. The Channeled Asbestos Claimant shall have the right to submit an Uninsured Asbestos Claim to the Asbestos Trust for payment in accordance with, and as permitted by, the Asbestos Trust Distribution Procedures, as set forth in Section 8.16 hereof.

(v) The Asbestos Trust may seek to intervene in any Insurance Policy Action at any time. A Channeled Asbestos Claimant pursuing an Insurance Policy Action shall not object to or oppose any request or motion of the Asbestos Trust to intervene in such Insurance Policy Action. For purposes of establishing the grounds in favor of the Asbestos Trust's request or motion to intervene, the Confirmation Order shall include the following finding of the Bankruptcy Court: The Asbestos Trust shall have, and is deemed to have, an interest relating to the Asbestos Insurance Coverage that is the subject of any Insurance Policy Action, and shall be, and is deemed to be, so situated that disposing of the Insurance Policy Action may, as a practical matter, impair or impede the Asbestos Trust's ability to protect its interest, and no party to the Insurance Policy Action can adequately represent that interest.

(d) In addition to the rights and remedies set forth in this Section 8.13, on and after the Effective Date, Channeled Asbestos Claimants may, only to the extent permitted or provided under applicable nonbankruptcy law, bring such Insurance Policy Actions against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to potential liability of any Designated Person, subject to the terms and conditions set forth in Section 8.13(c). For the avoidance of doubt, no Designated Person shall be named as a defendant in any such Insurance Policy Actions.

(e) If a Channeled Asbestos Claimant intends to pursue an Extracontractual Claim against a Non-Settling Asbestos Insurer, the Channeled Asbestos Claimant shall send written notice to the Asbestos Trust, requesting the Asbestos Trust's leave to pursue such Extracontractual Claim. Within fourteen (14) calendar days after receiving the Channeled Asbestos Claimant's request, the Asbestos Trust shall respond in writing that it is either granting or denying the Channeled Asbestos Claimant's request.

(i) The Asbestos Trust's notice to the Channeled Asbestos Claimant of its decision to grant the Channeled Asbestos Claimant's request to pursue an Extracontractual Claim shall legally operate as, or shall effect, to the extent permitted or authorized by applicable nonbankruptcy law and without further notice or action by any Entity, a transfer to the Channeled Asbestos Claimant of the Asbestos Trust's rights to pursue such Extracontractual Claim ("**Trust Transfer**"). The Channeled Asbestos Claimant shall thereupon have standing and authority to pursue, settle, or resolve such Extracontractual Claim within his or her absolute discretion, subject to the terms set forth in this Section 8.13.

(ii) The Asbestos Trust may deny a Channeled Asbestos Claimant's request for leave to pursue an Extracontractual Claim if (I) the Asbestos Trust has determined that it is not able or permitted under applicable nonbankruptcy law to transfer or assign the Extracontractual Claim to the requesting Channeled Asbestos Claimant; (II) the Asbestos Trust intends, within ninety (90) calendar days after receiving the Channeled Asbestos Claimant's request, to commence litigation (or arbitration, to the extent required by the applicable Asbestos Insurance Policy or Asbestos CIP Agreement) against the relevant Non-Settling Asbestos Insurer with respect to the Channeled Asbestos Claimant's claim; or (III) the Asbestos Trust has already commenced such litigation or arbitration, which is pending or has been resolved. Such litigation commenced by the Asbestos Trust may include, or pertain to, multiple other Channeled Asbestos Claims or seek a declaration of rights generally with respect to the Non-Settling Asbestos Insurers' obligations in connection with Channeled Asbestos Claims.

8.14. No Actions Against Released Parties. In any action pursued in accordance with Section 8.12 or Section 8.13 hereof, Channeled Asbestos Claimants shall not name any Released Party as a defendant, or promptly shall dismiss from such action any Released Party previously named as a defendant. The Asbestos Trust shall indemnify any Released Party to the extent such Released Party is named as a defendant in such an action, and the Trust shall take all steps reasonably necessary to have any Released Party named in such an action dismissed from such action, including seeking relief from the Bankruptcy Court to enforce the terms of the Plan.

8.15. Special Provision Pertaining to HII. Notwithstanding any provision of this Plan or any other Plan Document to the contrary, on and after the Effective Date, HII may, (a) to the extent it is the holder of one or more Asbestos Indirect Claims and (b) only to the extent permitted or provided under applicable nonbankruptcy law, file claims, crossclaims, or third-party demands in a court of competent jurisdiction (including in any state court lawsuits) against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne, or pursue direct actions against any Non-Settling Asbestos Insurer of Hopeman or Wayne, including to bring an action against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to the potential liability of any Designated Person. For the avoidance of doubt, such Designated Persons will not be named as defendants in any such actions. Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, reply, appear, or otherwise participate in any action in which HII has filed a claim, crossclaim, third-party demand, or in any such direct action, other than as necessary to maintain coverage under the Asbestos Insurance Policies. Any judgment that may be obtained in connection with such a claim, crossclaim, third-party demand, or direct action

cannot be enforced against the assets of Reorganized Hopeman or the Asbestos Trust, other than from the Asbestos Insurance Coverage. To the extent Hopeman's Asbestos Insurance Rights become subject to Asbestos Insurance Settlements and such Asbestos Insurance Rights are liquidated by the Trust, HII may submit Asbestos Indirect Claims to the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures. For the avoidance of doubt, the foregoing in no way limits HII's ability to seek payment or any other form of relief that may be made available according to the provisions contained within the Asbestos Trust Distribution Procedures, this Plan, or any other Plan Document. For the further avoidance of doubt, HII need not execute an Asbestos Personal Injury Claimant Release to obtain the benefits of this Section 8.15. Notwithstanding any provision of the Asbestos Trust Distribution Procedures, this Plan or any other Plan Document to the contrary, the rights contained within this Section 8.15 may not be impaired, impeded, abridged, or otherwise modified at any time (whether before or after entry of the Confirmation Order) without the prior written consent of HII; *provided, however*, that the foregoing shall not be construed to vest HII with consent or veto rights as to a proposed Asbestos Insurance Settlement described in Section 8.17, or to override, expand, or otherwise modify HII's consultation rights granted under Section 8.17.

8.16. Payments or Distributions from the Asbestos Trust. ***The sole and exclusive source of payment or recovery of a Channeled Asbestos Claimant on account of his Channeled Asbestos Claim shall be the Asbestos Insurance Coverage applicable to such Channeled Asbestos Claim, as provided in Section 8.12, Section 8.13, and Section 8.15 above, unless the Channeled Asbestos Claim (a) is an Uninsured Asbestos Claim, or (b) becomes an Uninsured Asbestos Claim before the Channeled Asbestos Claimant receives payment in full of any judgment obtained against Reorganized Hopeman or the Non-Settling Asbestos Insurer, or settlement reached with a Non-Settling Asbestos Insurer, in accordance with Section 8.12, Section 8.13, or Section 8.15 above***. A Channeled Asbestos Claim shall become an Uninsured Asbestos Claim when (i) the Asbestos Trust has settled, in accordance with an Asbestos Insurance Settlement, all rights to the Asbestos Insurance Coverage applicable to the Channeled Asbestos Claim, or (ii) any Asbestos Insurance Coverage that otherwise may be applicable to such Channeled Asbestos Claim becomes unavailable due to exhaustion of the relevant Asbestos Insurance Coverage or due to a Final Order ruling on a coverage issue or defense, in which event such Channeled Asbestos Claimant may seek payment or distribution on account of his Channeled Asbestos Claim from the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures. Any treatment of a Channeled Asbestos Claim that is partially an Insured Asbestos Claim and partially an Uninsured Asbestos Claim shall be set forth in the Asbestos Trust Distribution Procedures. Notwithstanding any provision in this Plan or any other Plan Document to the contrary, a Channeled Asbestos Claimant shall not be entitled to receive a payment or distribution on account of his Channeled Asbestos Claim from the Asbestos Trust unless and until his Channeled Asbestos Claim is eligible for payment or distribution from the Asbestos Trust under the Asbestos Trust Distribution Procedures.

8.17. Settlements with Non-Settling Asbestos Insurers After the Effective Date. The Asbestos Trust shall have authority to enter into an Asbestos Insurance Settlement with any Asbestos Insurer on or after the Effective Date, but such Asbestos Insurance Settlement shall not be valid or enforceable unless and until (a) the Asbestos Trust Advisory Committee and the Future Claimants' Representative have consented to such Asbestos Insurance Settlement and determined in writing that such Asbestos Insurance Settlement is fair, reasonable, and sufficiently

comprehensive to warrant that such Asbestos Insurer receive the protections of a Settled Asbestos Insurer under the Asbestos Permanent Channeling Injunction, any other applicable Plan Injunction, and section 524(g) of the Bankruptcy Code; (b) the Asbestos Trust has consulted with HII about the terms of such Asbestos Insurance Settlement prior to its submission to the Bankruptcy Court for approval, as provided herein; and (c) the Bankruptcy Court approves such Asbestos Insurance Settlement after notice to all parties directly affected by such Asbestos Insurance Settlement and a hearing thereon. To the extent necessary, the Asbestos Trust shall be allowed to seek to reopen the Chapter 11 Case to obtain the Bankruptcy Court's approval of any such settlement for good cause shown in accordance with section 350(b) of the Bankruptcy Code.

8.18. Insurance Neutrality. Nothing in the Plan, the Plan Documents, the Confirmation Order, any finding of fact and/or conclusion of law with respect to the confirmation of the Plan, or any order or opinion entered on appeal from the Confirmation Order shall limit the right of any insurer to assert any coverage defense; *provided*, *however*, that (a) the transfer of rights in and under the Asbestos Insurance Rights to the Asbestos Trust is valid and enforceable and transfers such rights under the Asbestos Insurance Rights as Hopeman or Reorganized Hopeman may have, and that such transfer shall not affect the liability of any insurer, and (b) the discharge and release of Hopeman and Reorganized Hopeman from all Claims and the injunctive protection provided to Hopeman, Reorganized Hopeman, and the Protected Parties with respect to Claims as provided herein shall not affect the liability of any insurer, except to the extent that any such insurer is a Settled Asbestos Insurer. Notwithstanding anything in this Section 8.18 to the contrary, nothing in this Section 8.18 shall affect or limit, or be construed as affecting or limiting, (1) the binding effect of the Plan and the Confirmation Order on Hopeman, Reorganized Hopeman, the Asbestos Trust, or the beneficiaries of the Asbestos Trust or (2) the protection afforded to any Settled Asbestos Insurer by the Asbestos Permanent Channeling Injunction. Further, nothing in this Section 8.18 is intended or shall be construed to preclude otherwise applicable principles of res judicata or collateral estoppel from being applied against any insurer with respect to any issue that is actually litigated by such insurer as part of its objections to confirmation of the Plan.

8.19. Effectuating Documents; Further Transactions. Any officer, member or manager of or director of Hopeman or Reorganized Hopeman, as applicable, shall be, and hereby is, authorized to execute, deliver, file, and record such contracts, instruments, releases, indentures, certificates, and other agreements or documents, and take such other actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of the Plan. The Secretary or other appropriate officer of Hopeman is hereby authorized to certify or attest to any of the foregoing, if necessary.

Hopeman and Reorganized Hopeman, and all other parties, including all holders of Claims entitled to receive Distributions under the Plan, shall execute any and all documents and instruments that must be executed under or in connection with the Plan in order to implement the terms of the Plan or to effectuate the Distributions under the Plan, *provided* that such documents and instruments are reasonably acceptable to such party or parties.

ARTICLE IX

EFFECT OF CONFIRMATION

9.1. Dissolution of Committee; Discharge of the Future Claimants' Representative. Effective on the Effective Date, the Committee shall be dissolved automatically, whereupon its members, Professionals, and agents shall be released and discharged from any further authority, duties, obligations and responsibilities in the Chapter 11 Case and under the Bankruptcy Code.

Effective as of the dissolution of the Committee, the Asbestos Trust Advisory Committee shall succeed to, and exclusively hold, the attorney-client privilege and any other privilege held by the Committee and shall enjoy the work product protections that were applicable or available to the Committee before its dissolution.

Effective on the Effective Date, the Future Claimants' Representative shall be discharged from her duties in such capacity, whereupon the Future Claimants' Representative and her Professionals and agents shall be released and discharged from any further authority, duties, obligations and responsibilities in the Chapter 11 Case and under the Bankruptcy Code.

9.2. Vesting of Assets. Pursuant to section 1141(b) of the Bankruptcy Code, except as otherwise provided in the Plan, the Plan Documents or the Confirmation Order, the property of the Estate of Hopeman (except for the Asbestos Trust Contribution and any other property of Hopeman distributed pursuant to the Plan) shall vest in Reorganized Hopeman on the Effective Date free and clear of any and all Liens, Claims, Encumbrances and other interests of any Entity. From and after the Effective Date, Reorganized Hopeman may operate its business and may use, acquire, and dispose of property free of any restrictions imposed under or by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court.

9.3. Preservation of Certain Causes of Action, Rights to Settle Claims and Compromise Controversies, and Defenses. With the exception of those claims and rights transferred to the Asbestos Trust, including Causes of Action, pursuant to Section 8.3 of this Plan or released pursuant to Article X of this Plan, in accordance with section 1123(b) of the Bankruptcy Code, Reorganized Hopeman, as successor in interest to Hopeman and its Estate, shall retain and may initiate, prosecute, enforce, sue on, settle, compromise, or resolve (or decline to do any of the foregoing), all claims, rights, causes of action, suits and proceedings, whether in law or in equity, whether known or unknown, accruing to, or that are property of, Hopeman and its Estate, pursuant to the Bankruptcy Code or any statute or legal theory, including any rights to, claims, or causes of action for, recovery under any policies of insurance issued to or on behalf of Hopeman other than the Asbestos Insurance Rights, in any court of competent jurisdiction consistent with applicable law.

9.4. Terms of Injunction and Automatic Stay. With the exception of the stay provided in the Bankruptcy Court's *Third Interim Order Extending the Automatic Stay to Asbestos-Related Actions Against Non-Debtor Defendants* [Docket No. 622] that will (unless extended) expire on the earlier of June 30, 2025, or the Effective Date, all of the injunctions and/or stays in existence immediately prior to the Confirmation Date provided for in or in connection with the Chapter 11 Case, whether pursuant to section 105, 362, or any other provision of the Bankruptcy

Code, the Bankruptcy Rules or other applicable law, shall remain in full force and effect until the injunctions set forth in the Plan become effective pursuant to a Final Order, and shall continue to remain in full force and effect thereafter as and to the extent provided by the Plan, the Confirmation Order, or by their own terms. For the avoidance of doubt, upon effectiveness of the injunctions set forth in the Plan, the automatic stay imposed by section 362 of the Bankruptcy Code shall be terminated. In addition, on and after the Confirmation Date, Reorganized Hopeman may seek such further orders as it may deem necessary or appropriate to preserve the status quo during the time between the Confirmation Date and the Effective Date.

Each of the injunctions contained in the Plan or the Confirmation Order shall become effective on the Effective Date and shall continue in effect thereafter unless otherwise provided in this Plan or the Confirmation Order.

9.5. No Liability for Certain Tax Claims. Unless a taxing authority has properly asserted a Claim against Hopeman on or before the Prepetition Non-Asbestos Claims Bar Dates, no Claim of that taxing authority shall be Allowed against Hopeman or Reorganized Hopeman for taxes, penalties, interest, additions to tax, or other charges arising out of the failure, if any, of Hopeman or any other Entity to have paid tax or to have filed any tax return (including, but not limited to, any income tax return or franchise tax return) in or for any prior year or arising out of an audit of any return for a period before the Petition Date.

9.6. No Successor Liability. Except as otherwise expressly provided in the Plan, Hopeman, Reorganized Hopeman, the other Protected Parties, and the Asbestos Trust do not, nor shall they be deemed to, assume, agree to perform, pay, or indemnify creditors for any liabilities or obligations of Hopeman relating to or arising out of the operations of, or assets of, Hopeman whether arising prior to or resulting from actions, events, or circumstances occurring or existing at any time prior to the Confirmation Date. None of Reorganized Hopeman, the other Protected Parties, or the Asbestos Trust is, or shall be, a successor to Hopeman by reason of any theory of law or equity, and none shall have any successor or transferee liability of any kind or character, except that Reorganized Hopeman and the Asbestos Trust shall assume the obligations specified expressly in the Plan and the Confirmation Order.

ARTICLE X

DISCHARGE, INJUNCTIONS, EXCULPATION, RELEASES, AND SETTLEMENT

10.1. Discharge of Hopeman and Reorganized Hopeman. Except as specifically provided in the Plan, any of the other Plan Documents, or the Confirmation Order, pursuant to sections 524 and 1141(d)(1)(A) of the Bankruptcy Code, confirmation of the Plan shall discharge Hopeman and Reorganized Hopeman on the Effective Date from any and all Claims and Demands of any nature whatsoever, including, without limitation, all Claims, including, to the fullest extent permitted by law, Channeled Asbestos Claims, and liabilities that arose before the Confirmation Date and all debts of the kind specified in sections 502(g), 502(h) and 502(i) of the Bankruptcy Code whether or not: (a) a Proof of Claim based on such Claim was filed under section 501 of the Bankruptcy Code, or such Claim was listed on any of Hopeman's Schedules; (b) such Claim is or was allowed under section 502 of the Bankruptcy Code; or (c) the holder of such Claim has voted on or accepted the Plan. Except

as otherwise specifically provided for in the Plan, as of the Effective Date, the rights provided in the Plan to holders of Claims, Demands and Equity Interests shall be in exchange for and in complete satisfaction, settlement and discharge of all Claims (including, to the fullest extent permitted by law, Asbestos Claims and Demands) against, Liens on, and Equity Interests in Hopeman, Reorganized Hopeman, and all of their respective assets and properties.

10.2. Hopeman Discharge Injunction. Except as specifically provided in the Plan (including Section 8.12, Section 8.13, Section 8.15, and Section 8.16 hereof), any of the other Plan Documents, or the Confirmation Order, all Entities who have held, hold, or may hold Claims (including, to the fullest extent permitted by law, Asbestos Claims and Demands) against Hopeman are permanently enjoined, on and after the Effective Date, from: (a) commencing or continuing in any manner any action or other proceeding of any kind against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand, other than to enforce any right to a Distribution pursuant to the Plan or any other right provided under this Plan; (b) enforcing, attaching, collecting, or recovering by any manner or means of any judgment, award, decree, or order against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand; (c) creating, perfecting, or enforcing any Encumbrance of any kind against Hopeman, Reorganized Hopeman, or their respective property with respect to such Claim or Demand; (d) asserting any right of setoff, subrogation, or recoupment of any kind against any obligation due to Hopeman or against the property or interests in property of Hopeman, with respect to such Claim or Demand; and/or (e) commencing or continuing any action, in any manner, against Hopeman, Reorganized Hopeman, or their respective property that does not comply with or is inconsistent with the provisions of the Plan or the Confirmation Order. The foregoing injunction shall extend to the successors of Hopeman (including, without limitation, Reorganized Hopeman) and their respective properties and interests in property. The discharge provided in this provision shall void any judgment obtained against Hopeman at any time, to the extent that such judgment relates to a discharged Claim or Demand.

10.3. Asbestos Permanent Channeling Injunction. Pursuant to sections 105(a) and 524(g) of the Bankruptcy Code, and except as otherwise provided in the Plan (including Article VIII hereof), any of the other Plan Documents, and the Confirmation Order, the Confirmation Order shall provide for the issuance of the following injunction to take effect upon the occurrence of the Effective Date:

(a) ***Scope of Injunction*. All Entities that have held or asserted, or hold or assert, or may hold or assert in the future any Channeled Asbestos Claim shall be permanently stayed, restrained, and enjoined from taking any action for the purpose of directly, indirectly, or derivatively collecting, recovering, or receiving payment, satisfaction, or recovery on account of any such Channeled Asbestos Claim, including:**

(i) **commencing, conducting, or continuing in any manner, directly, indirectly, or derivatively, any suit, action, or other proceeding of any kind (including a judicial, arbitration, administrative, or other proceeding) in any forum against or affecting any Protected Party or any property or interest in property of any Protected Party;**

(ii) **enforcing, levying, attaching (including any prejudgment attachment), collecting, or otherwise recovering by any means or in any manner, whether directly or indirectly, any judgment, award, decree, or other order against any Protected Party or any property or interest in property of any Protected Party;**

(iii) **creating, perfecting, or otherwise enforcing in any manner, directly or indirectly, any Encumbrance against any Protected Party or any property or interest in property of any Protected Party;**

(iv) **setting off, seeking reimbursement of, contribution from, or subrogation against, or otherwise recouping in any manner, directly or indirectly, any amount against any liability owed to any Protected Party or any property or interest in property of any Protected Party; and**

(v) **proceeding in any manner and in any place with regard to any matter that is within the scope of the matters designated by the Plan to be subject to resolution by the Asbestos Trust, except in conformity and compliance with the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures.**

(b) ***Reservations*. Notwithstanding anything to the contrary above, this Asbestos Permanent Channeling Injunction shall not stay, restrain, bar, or enjoin:**

(i) **the rights of Entities to the treatment accorded them under Article IV of this Plan, as applicable, including the rights of Channeled Asbestos Claimants to have their Channeled Asbestos Claims resolved in accordance with the Asbestos Trust Distribution Procedures;**

(ii) **the rights of Entities to assert any Channeled Asbestos Claim against the Asbestos Trust in accordance with the Asbestos Trust Distribution Procedures, or any claim for payment of an Asbestos Trust Expense against the Asbestos Trust;**

(iii) **the rights of Channeled Asbestos Claimants to assert any and all claims or causes of action against any Entities that are not Protected Parties;**

(iv) **the rights of the Asbestos Trust or, if applicable, Reorganized Hopeman to prosecute a claim or cause of action based on, arising from, or attributable to any of the Asbestos Trust Assets against any Entity that is not a Protected Party;**

(v) **any action or suit against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne that strictly conforms to the requirements of Section 8.12 hereof.**

(vi) **any action, suit, or Claimant Action permitted or authorized under Section 8.13 hereof against any Non-Settling Asbestos Insurer; or**

(vii) **any claim, crossclaim, or third-party demand in a court of competent jurisdiction (including in any state court lawsuits) against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne, or any direct action against any Non-Settling Asbestos Insurer of Hopeman or Wayne, in each case that strictly conforms to the requirements of Section 8.15 hereof.**

10.4. Exculpation. From and after the Petition Date through the Effective Date, and with the exception of claims related to any act or omission that is determined in a Final Order to have constituted gross negligence, knowing and intentional fraud, or willful misconduct, none of the Exculpated Parties shall have or incur any liability to any Entity for any act or omission in connection with, related to, or arising out of: (a) the Chapter 11 Case; (b) negotiation, formulation and preparation of the Plan and the other Plan Documents, and any of the terms and/or settlements and compromises reflected in the Plan and the other Plan Documents; (c) pursuit of confirmation of the Plan; (d) consummation of the Plan, or administration of the Plan or the property to be distributed under the Plan or the Asbestos Trust Distribution Procedures; or (e) the releases and injunctions contained in the Plan. Without limiting the generality of the foregoing, the Exculpated Parties shall be entitled to and granted the protections and benefits of section 1125(e) of the Bankruptcy Code.

10.5. Releases by Hopeman and Estate. Except as otherwise expressly provided in the Plan or Confirmation Order, on the Effective Date, for good and valuable consideration, the adequacy of which is confirmed, Hopeman, Reorganized Hopeman, and any Entity seeking to exercise the rights of the Estate, in each case individually and collectively, including any successor to Hopeman or any Estate representative appointed or selected pursuant to the applicable provisions of the Bankruptcy Code, shall, and shall be deemed to, completely and forever release, waive and discharge unconditionally each of the Released Parties, solely in their capacities as such, from any and all claims, obligations, suits, judgments, remedies, damages, Demands, debts, rights, Causes of Action and liabilities that are (or that, at any time on or prior to the Effective Date, were) property of the Estate, whether known or unknown, liquidated or unliquidated, fixed or contingent, foreseen or unforeseen, matured or unmatured, now existing or hereafter arising, in law, equity or otherwise, whether direct, indirect, or derivative, based upon, attributable to, or arising out of, in whole or in part, any act or omission, transaction, or occurrence taking place on or prior to the Effective Date (including prior to the Petition Date); *provided*, *however*, that nothing contained in this Section 10.5 is intended to operate as a release of liability based upon gross negligence or willful misconduct as determined by a Final Order.

10.6. Mutual Releases by Releasing Parties in Addition to Protections Under the Asbestos Permanent Channeling Injunction. Except as provided in Section 8.13(c) and Section 8.15 of the Plan and in addition to the protections afforded to the Released Parties as Protected Parties under the Asbestos Permanent Channeling Injunction, and in consideration for the obligations of Hopeman and Reorganized Hopeman under the Plan, each Releasing Party and the Asbestos Trust shall waive and release any and all Causes of Action that such holder did commence or could have commenced against any such Released Party that is based upon, attributable to, or arising from any acts or omissions of Released Party occurring prior to the Effective Date in any way attributable to Hopeman,

Reorganized Hopeman, the Chapter 11 Case, or the Plan; provided, however, that, notwithstanding the foregoing, no release of the Released Parties shall diminish, reduce, or eliminate the duties of any Asbestos Insurer under any Asbestos Insurance Policy or any Asbestos CIP Agreement.

In exchange for holders of Non-Asbestos Claims or Equity Interests opting in to grant the release provided in this section 10.6 of the Plan, each Released Party shall waive and release any and all Causes of Action that such Released Party did commence or could have commenced against any such holders of Non-Asbestos Claims or Equity Interests that opted-in that is based upon, attributable to, or arising from any acts or omissions of Releasing Parties occurring prior to the Effective Date in any way attributable to Hopeman, Reorganized Hopeman, the Chapter 11 Case, or the Plan; provided, however, that, notwithstanding the foregoing, no Released Party is waiving or releasing any rights or claims under any insurance policies that provide any type of coverage to such Released Party.

10.7. Release of Avoidance Actions and Estate Causes of Action Against Vendor Released Parties. As of the Effective Date, each of Hopeman, Reorganized Hopeman and the Asbestos Trust hereby fully, finally, and forever releases, relinquishes, and discharges all Avoidance Actions and all other Claims and Causes of Action that it holds against any Vendor Released Parties.

10.8. No Actions on Account of Released Claims. Except as provided in the Plan, as of the Effective Date, all Releasing Parties that have held, currently hold or may hold any claims, commitments, obligations, suits, judgments, damages, demands, debts, Causes of Action or liabilities that are released pursuant to the Plan shall be permanently enjoined from taking any of the following against a Released Party, or any of its property, on account of such released claims, commitments, obligations, suits, judgments, damages, demands, debts, Causes of Action or liabilities: (i) commencing or continuing in any manner any action or other proceeding; (ii) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order; (iii) creating, perfecting or enforcing any Encumbrance; (iv) asserting a setoff, right of subrogation or recoupment of any kind against any debt, liability or obligation due to any Released Party; and (v) commencing or continuing any action, in any manner, in any place that does not comply with or is inconsistent with the provisions of this Plan.

10.9. Compromise and Settlement of Claims and Interests and Approval of Certain Settling Insurers Agreement. Pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration of the Distributions and other benefits provided under the Plan, the provisions of the Plan shall, on the Effective Date, constitute a compromise and settlement of all claims and controversies relating to the rights that a holder of a Claim or Interest may have against Hopeman with respect to any Claim, Interest, or Distribution on account thereof, as well as all potential Causes of Action against Hopeman. To the extent necessary, the entry of the Confirmation Order shall constitute approval of the Certain Settling Insurers Agreement and the settlement contemplated thereby. The entry of the Confirmation Order will constitute the Bankruptcy Court's approval of such compromises and settlements and the Bankruptcy Court's finding that such compromises and settlements are (i) in the best interest of Hopeman, the Estate, and holders of Claims and Interests; and (ii) fair, equitable, and reasonable. Hopeman or

Reorganized Hopeman, as applicable, is authorized to take all actions necessary or appropriate to consummate the transactions and settlements contemplated thereby, including by the Certain Settling Insurers Settlement.

10.10. Disallowed Claims. On and after the Effective Date, Hopeman and the Estate shall be fully and finally discharged from any liability or obligation on a Disallowed Claim, and any order creating a Disallowed Claim that is not a Final Order as of the Effective Date solely because of an Entity's right to move for reconsideration of such order pursuant to section 502 of the Bankruptcy Code or Bankruptcy Rule 3008 shall nevertheless become and be deemed to be a Final Order on the Effective Date. The Confirmation Order, except as otherwise provided therein or herein, shall constitute an order: (a) disallowing all Claims (other than Channeled Asbestos Claims) to the extent such Claims are not allowable under any provision of section 502 of the Bankruptcy Code, including, but not limited to, time-barred Claims, and Claims for unmatured interest, and (b) disallowing or subordinating, as the case may be, any Claims, or portions of Claims, for penalties or non-compensatory damages.

ARTICLE XI

CONDITIONS PRECEDENT TO CONFIRMATION AND CONSUMMATION OF THE PLAN

11.1. Conditions Precedent to Confirmation of the Plan. The following are conditions precedent to confirmation of the Plan that (i) are designed, among other things, to ensure that the injunctions, releases, and discharges set forth in Article X shall be effective, binding, and enforceable, and (ii) must be satisfied, unless waived in accordance with Section 11.3 below:

(a) the Plan and each of the other Plan Documents shall be in form and substance acceptable in all respects to each of the Plan Proponents;

(b) the Bankruptcy Court shall have entered an order, acceptable in form and substance to each of the Plan Proponents, approving the Disclosure Statement as containing adequate information within the meaning of section 1125 of the Bankruptcy Code;

(c) at least two-thirds (2/3) in amount and seventy-five percent (75%) in number of holders of Asbestos Personal Injury Claims actually voting on the Plan shall have voted in favor of the Plan;

(d) the Confirmation Order shall be in form and substance acceptable to each of the Plan Proponents and shall have been entered by (i) the Bankruptcy Court and the District Court acting jointly, (ii) the District Court, or (iii) the Bankruptcy Court and affirmed by the District Court;

(e) (i) the Plan, each of the other Plan Documents, and the Confirmation Order shall be in form and substance acceptable to HII only to the extent that the Plan, each of the other Plan Documents, and the Confirmation Order may affect and/or alter HII's rights under the terms set forth in Section 8.15 of this Plan (such acceptance not to be unreasonably withheld), and (ii) the Plan Proponents shall have consulted with HII regarding the final forms of the Plan, each of the other Plan Documents, and the Confirmation Order in all other respects;

(f) the Confirmation Order shall, among other things:

(i) issue the Asbestos Permanent Channeling Injunction in accordance with the Plan and section 524(g) of the Bankruptcy Code

(ii) provide that the Confirmation Order supersedes any Bankruptcy Court orders issued prior to the Confirmation Date that may be inconsistent with the Confirmation Order;

(iii) provide that, except with respect to obligations specifically preserved in the Plan, Hopeman is discharged effective on the Effective Date (in accordance with the Plan and section 1141(d) of the Bankruptcy Code) from any Claims (including, to the fullest extent permitted by law, Asbestos Claims and Demands);

(iv) authorize the implementation of the Plan in accordance with its terms;

(v) provide that, as of the Effective Date, all Equity Interests are cancelled, annulled, and extinguished and that the Reorganized Hopeman Common Stock is issued to, and received by, the Asbestos Trust;

(vi) authorize the making of the Asbestos Trust Contribution, which shall be, on the Effective Date and without further notice, action, or deed, transferred to and indefeasibly vested in the Asbestos Trust free and clear of all Claims and Encumbrances against or on such Asbestos Trust Contribution;

(vii) provide that all transfers of assets of Hopeman contemplated under the Plan shall be free and clear of all Claims and Encumbrances against or on such assets;

(viii) except as otherwise provided in the Plan or Confirmation Order, provide that the assets revesting in Reorganized Hopeman shall be free and clear of all Claims and Encumbrances;

(ix) provide that any transfers effected or entered into, or to be effected or entered into, under the Plan shall be and are exempt under section 1146(a) of the Bankruptcy Code from any state, city, or other municipal transfer taxes, mortgage recording taxes and any other stamp or similar tax;

(x) provide that the transfers of property by Hopeman to Reorganized Hopeman (A) are or will be legal, valid, and effective transfers of property; (B) vest or will vest Reorganized Hopeman with good title to such property; (C) do not and will not constitute avoidable transfers under the Bankruptcy Code or under other applicable bankruptcy or non-bankruptcy law; and (D) do not and will not subject Reorganized Hopeman to any liability by reason of such transfer under the Bankruptcy Code or applicable nonbankruptcy law, including any laws affecting or effecting successor or transferee liability;

(xi) provide that all Executory Contracts assumed or assumed and assigned by Hopeman during the Chapter 11 Case or under the Plan, if any, shall remain in full force and effect for the benefit of Reorganized Hopeman or the assignee thereof, notwithstanding any provision in such contract (including those provisions described in sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits such assignment or transfer or that enables or requires termination of such contract or lease;

(xii) require that as a condition to receiving any distributions of any kind from the Asbestos Trust, each holder of an Asbestos Personal Injury Claim execute the Asbestos Personal Injury Claimant Release;

(xiii) approve in all respects the other settlements, transactions, and agreements to be effected pursuant to the Plan, including the Asbestos Trust Agreement, the Asbestos Trust Distribution Procedures, and the other Asbestos Trust Documents, and the releases herein of the Released Parties;

(xiv) authorize the Plan Proponents and the Future Claimants' Representative to take all actions necessary or appropriate to effectuate, implement, and consummate the Plan, including the execution, delivery, and performance of contracts, instruments, releases, and other agreements or documents created in connection with the Plan; and

(xv) incorporate by reference all previously issued orders approving an Asbestos Insurance Settlement and provide that nothing in the Plan or the Confirmation Order is intended to modify or limit such orders.

(g) In addition to the foregoing, the Confirmation Order shall contain the following findings of fact and conclusions of law, among others:

(i) the Plan complies with all applicable provisions of the Bankruptcy Code, including, without limitation, those requiring that the Plan was proposed in good faith and that the Confirmation Order was not procured by fraud;

(ii) the Plan and its acceptance otherwise comply with sections 524(g) and 1126 of the Bankruptcy Code, and confirmation of the Plan is in the best interests of all creditors;

(iii) the Plan does not provide for the liquidation of all or substantially all of the property of Hopeman, and Reorganized Hopeman will continue in business as a reorganized debtor, and confirmation of the Plan is not likely to be followed by the liquidation of Reorganized Hopeman or the need for further financial reorganization;

(iv) the Plan Documents comply with section 524(g) of the Bankruptcy Code and therefore satisfy the prerequisites thereunder for issuing the Asbestos Permanent Channeling Injunction;

(v) as of the Petition Date, Hopeman had been named as a defendant in personal injury, wrongful death, or property damage actions seeking recovery for damages allegedly caused by the presence of, or exposure to, asbestos or asbestos-containing products;

(vi) the Asbestos Trust, as of the Effective Date, will assume all the liabilities for Hopeman and Reorganized Hopeman for all Channeled Asbestos Claims, except as provided in Section 8.12, Section 8.13, and Section 8.15 of the Plan;

(vii) the Asbestos Trust will to be funded by Reorganized Hopeman's contribution of the Asbestos Trust Assets, including the Asbestos Trust Contribution and the Asbestos Insurance Rights;

(viii) the assignment of the Asbestos Insurance Rights is valid and enforceable under sections 524(g), 541(e), 1123(a)(5)(B), and 1129(a)(1) of the Bankruptcy Code, and the Bankruptcy Code preempts any anti-assignment contractual provisions and applicable state law.

(ix) the Asbestos Trust will on the Effective Date own one hundred percent (100%) of the Reorganized Hopeman Common Stock and all rights to receive dividends or other distributions on account of such stock;

(x) the Asbestos Trust is to use its assets and income to pay eligible Channeled Asbestos Claims and Asbestos Trust Expenses, in accordance with the Asbestos Trust Documents, except as provided in Section 8.12, Section 8.13, and Section 8.15 of the Plan;

(xi) Hopeman is likely to be subject to substantial future Demands for payment arising out of the same or similar conduct or events that gave rise to the Claims that are addressed by the Asbestos Permanent Channeling Injunction, and all such Demands are subject to the Asbestos Permanent Channeling Injunction;

(xii) the actual amounts, numbers, and timing of such Demands cannot be determined;

(xiii) pursuit of such Demands outside the procedures prescribed by the Plan and the Asbestos Trust Distribution Procedures is likely to threaten the Plan's purpose to deal equitably with Asbestos Claims and Demands;

(xiv) the Asbestos Permanent Channeling Injunction is essential to the Plan and Hopeman's reorganization efforts;

(xv) the terms of the Asbestos Permanent Channeling Injunction, including any provisions barring actions against third parties pursuant to section 524(g)(4)(A) of the Bankruptcy Code, are set out in the Plan and Disclosure Statement;

(xvi) the Plan establishes in Class 4 (Channeled Asbestos Claims) a separate class of the claimants whose Claims are to be addressed by the Asbestos Trust;

(xvii) Class 4 (Channeled Asbestos Claims) has voted, by at least seventy-five percent (75%) of the holders of Asbestos Personal Injury Claims and Asbestos Indirect Claims voting on the Plan, in favor of the Plan;

(xviii) Class 4 (Channeled Asbestos Claims) has voted, by at least two-thirds (2/3) of the allowed amount of Class 4 Claims, to accept the Plan;

(xix) the Future Claimants' Representative was appointed as part of the proceedings leading to the issuance of the Asbestos Permanent Channeling Injunction for the purpose of protecting the rights of persons that might subsequently assert unknown Asbestos Claims and Demands that are addressed in the Asbestos Permanent Channeling Injunction and channeled to the Asbestos Trust;

(xx) each Protected Party is identifiable from the terms of the Asbestos Permanent Channeling Injunction by name or as part of an identifiable group;

(xxi) applying the Asbestos Permanent Channeling Injunction to each Protected Party is fair and equitable with respect to persons that might subsequently assert Demands against each such Protected Party, in light of the benefits provided, or to be provided, to the Asbestos Trust, including the Asbestos Trust Contribution, by or on behalf of any such Protected Party;

(xxii) the Asbestos Trust Contribution constitutes a sufficient basis upon which to provide the Protected Parties with the protections afforded to them under the Plan, the Plan Documents, and the Confirmation Order;

(xxiii) pursuant to courts orders, the Asbestos Trust Distribution Procedures, or otherwise, the Asbestos Trust will operate through mechanisms, such as structured, periodic, or supplemental payments, pro rata distributions, matrices, or periodic review of estimates of the numbers and values of Asbestos Claims and Demands, or other comparable mechanisms, that provide reasonable assurance that the Asbestos Trust will value, and be in a financial position to pay, eligible Asbestos Claims and Demands that involve similar Claims in substantially the same manner;

(xxiv) the Plan and the other Plan Documents are a fair, equitable, and reasonable resolution of the liabilities of Hopeman for Channeled Asbestos Claims;

(xxv) the Future Claimants' Representative has adequately and completely fulfilled her duties, responsibilities, and obligations as the legal representative for unknown Demand holders in accordance with section 524(g) of the Bankruptcy Code;

(xxvi) adequate and sufficient notice of the Plan and the Confirmation Hearing, as well as all deadlines for objecting to the Plan, was given to (A) all known creditors and holders of Equity Interests, (B) parties that requested notice in accordance with Bankruptcy Rule 2002 (including the Committee and the Future Claimants' Representative), (C) all parties to Executory Contracts, (D) all taxing authorities listed on Hopeman's Schedules, (E) the United States Trustee, and (F) all Asbestos Insurers, in accordance with the solicitation procedures governing such service and in substantial compliance with Bankruptcy Rules 2002(b), 3017, and 3020(b); and such transmittal and service were adequate and sufficient to bind, among other parties, any holder of an Asbestos Claim, and no other or further notice is or shall be required; and

(xxvii) Hopeman's conduct in connection with and throughout the Chapter 11 Case, including its negotiations with the Committee and the Future Claimants' Representative, Hopeman's commencement of this Chapter 11 Case, and the drafting, negotiation, proposing, confirmation, and consummation of the Plan, does not and has not violated any Asbestos Insurance Cooperation Obligations, nor were such events or conduct a breach of any express or implied covenant of good faith and fair dealing.

11.2. Conditions Precedent to the Effective Date. The following are conditions precedent to occurrence of the Effective Date of the Plan that must be satisfied, unless waived in accordance with Section 11.3 below:

(a) all conditions precedent to the Confirmation Date shall have been satisfied or waived and shall continue to be satisfied or waived;

(b) the Confirmation Order shall have been entered and shall have become a Final Order;

(c) the Bankruptcy Court or the District Court, as required, shall have entered or affirmed the Asbestos Permanent Channeling Injunction (which may be included in the Confirmation Order that shall contain terms satisfactory and acceptable to each of the Plan Proponents);

(d) no request for revocation of the Confirmation Order under section 1144 of the Bankruptcy Code shall have been made or, if made, shall be pending;

(e) no fact or circumstance shall exist that would prevent the Asbestos Permanent Channeling Injunction from coming into full force and effect immediately upon the occurrence of the Effective Date;

(f) no fact or circumstance shall be preventing the Asbestos Trust from receiving the Asbestos Trust Contribution upon occurrence of the Effective Date;

(g) all Plan Documents and related agreements or instruments that require execution shall have been executed and delivered, or held in escrow to be released therefrom and promptly delivered to the applicable parties upon the occurrence of the Effective Date;

(h) certificates representing the Reorganized Hopeman Common Stock shall have been executed and delivered, or held in escrow to be released therefrom and promptly delivered to the Asbestos Trust upon the occurrence of the Effective Date;

(i) each of the Plan Documents and agreements or instruments contemplated by the Plan Documents shall be in form and substance acceptable to each of the Plan Proponents in all respects and, upon the occurrence of the Effective Date, shall be fully enforceable in accordance with their terms;

(j) all other actions, documents, and agreements that the Plan Proponents deem necessary to implement those provisions of the Plan to be effectuated on or prior to the Effective Date, in form and substance satisfactory to the Plan Proponents, shall have been effected or executed and delivered; and

(k) all conditions to closing set forth in any of the Plan Documents shall have been fulfilled to the reasonable satisfaction of the Plan Proponents.

11.3. Waiver of Conditions Precedent. To the fullest extent practicable and legally permissible, any of the conditions precedent set forth in Section 11.1 or Section 11.2 above may be waived or modified, in whole or in part, by the Plan Proponents, acting jointly; *provided, however*, that the condition precedent set forth in Section 11.1(e) may not be waived or modified, in whole or in part, without the written consent of HII. Any such waiver or modification may be effected at any time in a writing executed by, or on behalf of, each of the Plan Proponents and without leave or an order of the Bankruptcy Court or the District Court. If any Plan Proponent desires to waive a condition precedent to facilitate confirmation of the Plan or the occurrence of the Effective Date, the other Plan Proponent (and, if applicable, HII) shall promptly confer with it as to whether or not the suggested waiver should be given, in recognition that time is of the essence.

11.4. Failure to Achieve the Effective Date. If each of the conditions to the Effective Date is not met or duly waived in accordance with Section 11.3, then upon joint motion by the Plan Proponents and notice to such parties in interest as the Bankruptcy Court may direct, the Confirmation Order shall be vacated by the Bankruptcy Court and/or the District Court, as the case may be. If (a) the Plan Proponents revoke or withdraw the Plan, (b) the Confirmation Order is vacated, (c) the Plan is otherwise not confirmed by a Final Order, or (d) the Plan is confirmed and does not become effective for any other reason, then the rights of all parties in interest in the Chapter 11 Case are and shall be reserved in full. In any such event, the Plan shall become null and void in all respects; any settlement or compromise embodied in the Plan, any assumption or rejection of Executory Contracts effected by the Plan, and any document or agreement executed pursuant to the Plan, shall be deemed null and void; and nothing contained in the Plan or the Confirmation Order, if previously entered, and no acts taken in preparation for consummation of the Plan, shall: (a) constitute or be deemed to constitute a waiver, release or settlement of any Claims by or against, or any Equity Interests in, Hopeman or any other Entity, (b) prejudice in any manner the rights of Hopeman or any Entity in any further proceedings involving Hopeman; or (c) constitute an admission of any sort by Hopeman or any other Entity.

ARTICLE XII

RETAINED JURISDICTION OF BANKRUPTCY COURT

12.1. Retention of Jurisdiction. Pursuant to sections 105(a) and 1142 of the Bankruptcy Code, the Bankruptcy Court and, to the extent applicable, the District Court, shall, to the fullest extent permitted by law, retain and have exclusive jurisdiction over all matters arising out of and related to the Chapter 11 Case and the Plan, including, among other things, jurisdiction to:

(a) hear and determine any and all objections to and proceedings involving: (i) the allowance, estimation, classification, and subordination of Claims (other than Channeled Asbestos Claims) that have been or properly should have been brought in the Bankruptcy Court; or (ii)Equity Interests;

(b) hear and determine all objections to the termination of the Asbestos Trust;

(c) hear and determine such other matters that may be set forth in or arise in connection with the Plan, the Confirmation Order, the Asbestos Permanent Channeling Injunction, or the Asbestos Trust Agreement;

(d) hear and determine any proceeding that involves the validity, application, construction, enforceability, or modification of the Asbestos Permanent Channeling Injunction;

(e) hear and determine any conflict or other issues that may arise in the Chapter 11 Case, including the implementation and enforcement of all orders entered by the Bankruptcy Court in the Chapter 11 Case, and in the administration of the Asbestos Trust;

(f) enter such orders as are necessary to implement and enforce the releases and injunctions described herein, including, if necessary, in connection with application of the protections afforded by section 524 of the Bankruptcy Code and/or the Plan to the Protected Parties;

(g) hear and determine any and all applications for allowance of Professional Fee Claims and any other fees and expenses authorized to be paid or reimbursed under the Bankruptcy Code or the Plan;

(h) enter such orders authorizing non-material modifications to the Plan or any other Plan Document, as may be necessary to comply with section 468B of the Internal Revenue Code;

(i) hear and determine any applications pending on the Effective Date for the assumption, assumption and assignment, or rejection, as the case may be, of Executory Contracts to which Hopeman is a party, and to hear and determine and, if necessary, liquidate any and all Claims arising therefrom;

(j) hear and determine any and all applications, Claims, causes of action, adversary proceedings, and contested or litigated matters that may be pending in the Chapter 11 Case on the Effective Date;

(k) consider any modifications of the Plan, and remedy any defect or omission or reconcile any inconsistency or make any other necessary modifications in or to the Plan, the Asbestos Trust Documents, or any order of the Bankruptcy Court, including the Confirmation Order, as may be necessary to carry out the purposes and intent of the Plan, to the extent authorized by the Bankruptcy Code and the Bankruptcy Rules;

(l) hear and determine all controversies, suits, and disputes that may arise in connection with the interpretation, enforcement, or consummation of the Plan or any Entity's obligations hereunder and issue orders in aid of confirmation, consummation and execution of the Plan to the extent authorized by section 1142 of the Bankruptcy Code, including, but not limited to, compelling the conveyance of property and other performance contemplated under the Plan and documents executed in connection herewith;

(m) hear and determine all questions and disputes and enter such orders or judgments, including injunctions, as are necessary to (i) enforce the title, rights and powers of Reorganized Hopeman and the Asbestos Trust, and (ii) enable holders of Claims to pursue their rights against any Entity that may be liable therefor pursuant to applicable law or otherwise;

(n) hear and determine any proposed compromise and settlement of any Claim against or cause of action by or against Hopeman that has been or properly should have been brought in the Bankruptcy Court to the extent requested by Reorganized Hopeman;

(o) hear and determine any timely objections to Administrative Expense Claims asserted or to Proofs of Claim filed, both before and after the Confirmation Date, including any objections to the classification of any Claim, and to allow or disallow any Disputed Claim, in whole or in part;

(p) hear and determine matters concerning state, local and federal taxes, tax refunds, tax attributes, tax benefits, and similar or related matters with respect to Hopeman, Reorganized Hopeman, or the Asbestos Trust arising on or prior to the Effective Date, arising on account of transactions contemplated by the Plan Documents, or relating to the period of administration of the Chapter 11 Case;

(q) hear and determine such other matters as may be set forth in the Confirmation Order or other orders of the Bankruptcy Court, or which may arise in connection with the Plan, the Confirmation Order, or the Effective Date, as may be authorized under the provisions of the Bankruptcy Code or any other applicable law;

(r) hear and determine all controversies, suits, and disputes that may arise in connection with the interpretation, enforcement, or consummation of the Plan or any Entity's obligations hereunder, including performance of Hopeman's duties under the Plan;

(s) hear and determine any motions or applications seeking approval of any Asbestos Insurance Settlement whether filed before, on, or after the Effective Date.

(t) enforce remedies upon any default under the Plan or any of the other Plan Documents;

(u) hear and determine any other matter not inconsistent with the Bankruptcy Code;

(v) hear and determine any claim that in any way challenges or is based on any provision in the Confirmation Order; and

(w) enter a final decree closing the Chapter 11 Case.

If and to the extent that the Bankruptcy Court is not permitted under applicable law to exercise jurisdiction over any of the matters specified above, including the matter described in Section 12.1(d), the reference to the "Bankruptcy Court" in the preamble to this Section 12.1 shall be deemed to be a reference to the "District Court." Notwithstanding anything in this Section 12.1 to the contrary, and except as set forth in Article VIII, the Asbestos Trust Agreement and the Asbestos Trust Distribution Procedures shall govern the processing, liquidation, or satisfaction of Channeled Asbestos Claims and the forum in which Channeled Asbestos Claims shall be determined.

12.2. Other Proceedings. Notwithstanding any term or provision herein to the contrary, nothing in the Plan Documents shall detract from or contravene any jurisdictional or other provisions, including Sections 8.12, 8.13, and 8.15 hereof, that permit or require legal actions or proceedings to be brought in a court that is not the Bankruptcy Court or the District Court. Notwithstanding anything in Section 12.1 hereof to the contrary, the Asbestos Trust may initiate, prosecute, defend, and resolve all legal actions and other proceedings related to or arising from any asset, liability, or responsibility of the Asbestos Trust, including any Causes of Action arising from or related to the Asbestos Insurance Rights and Channeled Asbestos Claims, outside of the Bankruptcy Court and in any court of competent jurisdiction, in accordance with Section 8.3. In addition, notwithstanding anything in Section 12.1 hereof to the contrary, Asbestos Claimants may bring Extracontractual Claims in accordance with Section 8.13(e) outside of the Bankruptcy Court and in any court of competent jurisdiction.

12.3. Modification of Plan. Any Plan Proponent, with the consent of the other Plan Proponent, which consent may not be unreasonably withheld, may alter, amend, or modify the Plan or any Exhibits thereto under section 1127(a) of the Bankruptcy Code at any time prior to the Confirmation Date and may include any such amended Exhibits in the Plan, provided that the Plan, as modified, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code, and the Plan Proponents shall have complied with section 1125 of the Bankruptcy Code, to the extent necessary. Further, any Plan Proponent, with the consent of the other Plan Proponents, which consent may not be unreasonably withheld, may alter, amend, or modify the Plan or any Exhibits thereto at any time after entry of the Confirmation Order and before the Plan's substantial consummation, provided that: (a) the Plan, as modified, altered, or amended, meets the requirements of sections 1122 and 1123 of the Bankruptcy Code and (b) the Bankruptcy Court, after notice and a hearing, confirms the Plan as modified, under section 1129 of the Bankruptcy Code, and finds that the circumstances warrant such modification. A holder of a Claim that has accepted or rejected the Plan shall be deemed to have accepted or rejected, as the case may be, the Plan as modified, unless, within the time fixed by the Bankruptcy Court, if any, such holder changes its previous acceptance or rejection, to the extent such holder is afforded the opportunity to do so under section 1127(d) of the Bankruptcy Code.

On and after the Effective Date, Reorganized Hopeman or the Asbestos Trust, as applicable, may remedy any defects or omissions or reconcile any inconsistencies in the Plan Documents for the purpose of implementing the Plan in such manner as may be necessary to carry out the purposes and intent of the Plan, so long as the interests of the holders of Allowed Claims and other applicable parties-in-interest are not adversely affected thereby.

Notwithstanding anything in this Section 12.3, there shall be no modification to this Plan made at any time (whether before or after entry of the Confirmation Order) that would materially reduce or eliminate any of the protections provided herein to the Protected Parties, Released Parties, or Exculpated Parties. Notwithstanding anything in this Section 12.3, there shall be no modification to this Plan made at any time (whether before or after entry of the Confirmation Order) that would materially reduce or eliminate any of the rights or protections provided under Section 8.15, Section 8.17, Section 10.3(b), Section 11.1(e)(i), or Section 11.3 to HII without the prior written consent of HII.

12.4. Consent to Jurisdiction. Upon default under the Plan, Hopeman, Reorganized Hopeman, the Asbestos Trust, the Asbestos Trustee, the Asbestos Trust Advisory Committee, and the Future Claimants' Representative, respectively, consent to the jurisdiction of the Bankruptcy Court, and agree that it shall be the preferred forum for all proceedings relating to any such default.

ARTICLE XIII

MISCELLANEOUS PROVISIONS

13.1. Governing Law. Unless a rule of law or procedure is supplied by federal law (including the Bankruptcy Code and Bankruptcy Rules), or a Schedule or Exhibit hereto or instrument, agreement or other document executed under the Plan provides otherwise, the rights, duties and obligations arising under the Plan, and the instruments, agreements and other documents executed in connection with the Plan, shall be governed by, and construed and enforced in accordance with, the internal laws of the Commonwealth of Virginia without giving effect to the principles of conflicts of law thereof.

13.2. Notices. To be effective, all notices, requests and demands to or upon the Plan Proponents, or, as applicable, upon the Future Claimants' Representative and the Committee, shall be in writing and, unless otherwise expressly provided herein, shall be addressed as follows and mailed by registered or certified mail, return receipt requested, and shall be deemed to have been duly given or made when actually delivered:

If to Hopeman:

Hopeman Brothers, Inc.
6 Auburn Ct., Unit 3
Brookline, Massachusetts 02446
Attention: Christopher Lascell, President

with a copy (which alone will not constitute notice) to:

Hunton Andrews Kurth LLP
600 Travis Street, Suite 4200
Houston, Texas 77002
Attention: Joseph P. Rovira, Esq. (josephrovira@HuntonAK.com)
Catherine A. Rankin, Esq. (crankin@HuntonAK.com)

and

Hunton Andrews Kurth LLP
Riverfront Plaza, East Tower
951 East Byrd Street
Richmond, Virginia 23219
Attention: Tyler P. Brown, Esq. (tpbrown@HuntonAK.com)
Henry P. (Toby) Long, III (hlong@HuntonAK.com)

If to the Committee:

Caplin & Drysdale, Chartered
1200 New Hampshire Avenue, NW, 8th Floor
Washington, DC 20036
Attention: Kevin C. Maclay, Esq. (kmaclay@capdale.com)
Todd E. Phillips, Esq. (tphillips@capdale.com)
Jeffrey A. Liesemer, Esq. (jliesemer@capdale.com)
Nathaniel R. Miller, Esq. (nmiller@capdale.com)

If to the Future Claimants' Representative:

Campbell & Levine, LLC
222 Delaware Avenue, Suite 1620
Wilmington, Delaware 19801
Attention: Marla Rosoff Eskin, Esq. (meskin@camlev.com)

13.3. Plan Supplement. Any Exhibits, lists, or schedules referred to herein or in the Disclosure Statement but not filed with the Plan shall be contained in the Plan Supplement and filed with the Clerk of the Bankruptcy Court at least five (5) Business Days prior to the deadline established by the Bankruptcy Court for the filing and service of objections to the Plan.

13.4. Inconsistencies. To the extent the Plan is inconsistent with either the Disclosure Statement or the other Plan Documents, the provisions of the Plan shall be controlling. To the extent the Plan is inconsistent with the Confirmation Order, the provisions of the Confirmation Order shall be controlling.

13.5. Tax Reporting and Compliance. In connection with the Plan and all instruments issued in connection therewith and Distributions thereon, Hopeman and Reorganized Hopeman shall comply with all withholding and reporting requirements imposed by any federal, state, local, or foreign taxing authority, and all Distributions hereunder shall be subject to any such withholding and reporting requirements. No holder of an Allowed Claim against Hopeman shall effectuate any

withholding with respect to the cancellation or satisfaction of such Allowed Claim under the Plan. Reorganized Hopeman is hereby authorized to request an expedited determination of taxes under section 505(b) of the Bankruptcy Code for all taxable periods of Hopeman ending after the Petition Date through and including the Effective Date of the Plan.

13.6. Payment of Statutory Fees. All fees due and payable pursuant to section 1930 of Title 28 of the U.S. Code prior to the Effective Date shall be paid by Hopeman on the Effective Date. After the Effective Date, Reorganized Hopeman shall pay any and all such fees from the Net Reserve Funds when due and payable, and shall file with the Bankruptcy Court quarterly reports in a form reasonably acceptable to the United States Trustee. Hopeman and Reorganized Hopeman shall remain obligated to pay quarterly fees to the Office of the United States Trustee until Hopeman's case is converted, dismissed, or closed, whichever occurs first.

13.7. Exemption from Transfer Taxes. Pursuant to section 1146(a) of the Bankruptcy Code, the issuance, transfer, or exchange of notes or equity securities under the Plan, the creation of any mortgage, deed of trust, pledge or other security interest, the making or assignment of any lease or sublease, or the making or delivery of any deed or other instrument of transfer under, in furtherance of, or in connection with the Plan shall be exempt from all stamp, transfer, or similar taxes, as provided in section 1146(a).

13.8. Recordable Order. Upon Confirmation of the Plan, the Confirmation Order shall be deemed to be in recordable form, and shall be accepted by any recording officer for filing and recording purposes without further or additional orders, certifications, or other supporting documents.

13.9. Binding Effect. The rights, benefits and obligations of any Entity named or referred to in the Plan, or whose actions may be required to effectuate the terms of the Plan, shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such Entity (including any trustee appointed for Hopeman under chapters 7 or 11 of the Bankruptcy Code). The Confirmation Order shall provide that the terms and provisions of the Plan and the Confirmation Order shall survive and remain effective after entry of any order which may be entered converting the Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code, and the terms and provisions of the Plan shall continue to be effective in this or any superseding case under the Bankruptcy Code.

13.10. Severability. After the Effective Date, any provision of the Plan, the Plan Documents, the Confirmation Order, or any of the Exhibits to the Plan that is determined to be prohibited, unenforceable, or invalid by a court of competent jurisdiction or any other governmental Entity with appropriate jurisdiction may be deemed ineffective as to any jurisdiction in which such provision is prohibited, unenforceable, or invalidated to the extent of such prohibition, unenforceability, or invalidation, without invalidating the effectiveness of the remaining provisions of the Plan, the Plan Documents, the Confirmation Order, and the Exhibits to the Plan or affecting the validity or enforceability of such provision and such remaining provisions in any other jurisdiction.

13.11. Further Authorizations. The Plan Proponents, as applicable, and, after the Effective Date, the Asbestos Trust, if and to the extent necessary, may seek such orders, judgments,

injunctions, and rulings as each deems necessary to carry out the intentions and purposes of, and to give full effect to the provisions of, the Plan.

13.12. General Statements. Statements of a general nature set forth in the Plan shall not be construed to limit or restrict the specific provisions herein.

13.13. Entire Agreement. The Plan Documents set forth the entire agreement and undertakings relating to the subject matter thereof and supersede all prior discussions, negotiations, understandings, and documents. No Entity shall be bound by any terms, conditions, definitions, warranties, understandings, or representations with respect to the subject matter of the Plan Documents other than as expressly provided for in the Plan or the other Plan Documents or as may hereafter be agreed to by the affected parties in writing.

IN WITNESS WHEREOF, the undersigned has duly executed the Plan as of the date first above written.

Respectfully submitted,

Richmond, Virginia
Dated: May 21, 2025

Hopeman Brothers, Inc.

By: */s/ Christopher Lascell*
Name: Christopher Lascell
Title: President

The Official Committee of Unsecured Creditors

By: */s/ Lisa Nathanson Busch*
Name: Lisa Nathanson Busch, as specifically authorized by Committee Co-Chairperson, Darrell Kitchen

Exhibit A

Asbestos Trust Agreement

HOPEMAN ASBESTOS TRUST AGREEMENT

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HOPEMAN ASBESTOS TRUST AGREEMENT

This Hopeman Asbestos Trust Agreement (this "**Trust Agreement**"), dated the date set forth on the signature page hereof and effective as of the Effective Date, is entered into, pursuant to the Plan of Reorganization of Hopeman Brothers, Inc. Under Chapter 11 of the Bankruptcy Code dated April __, 2025 (as it may be amended or supplemented, the "**Plan**"),[1] by Hopeman Brothers, Inc. (referred to as the "**Debtor**," "**Hopeman**," or the "**Settlor**"), the debtor and debtor-in-possession whose chapter 11 case is administered under Case No. 24-32428 in the United States Bankruptcy Court for the Eastern District of Virginia; the Future Claimants' Representative (the "**FCR**"); the Official Committee of Unsecured Creditors (the "**UCC**"); _____ (the "**Delaware Trustee**"); the Asbestos Trustee identified on the signature pages hereof (the "**Trustee**"); and the members of the Asbestos Trust Advisory Committee identified on the signature pages hereof (the "**TAC**"); and

WHEREAS, the Debtor has reorganized under the provisions of chapter 11 of the Bankruptcy Code in the case filed in the United States Bankruptcy Court for the Eastern District of Virginia, administered and known as *In re Hopeman Brothers, Inc.*, Case No. 24-32428; and

WHEREAS, the Confirmation Order has been entered by the Bankruptcy Court and affirmed by the District Court; and

WHEREAS, the Plan provides, *inter alia*, for the creation of the Asbestos Trust; and

WHEREAS, pursuant to the Plan, the Asbestos Trust is to use its assets and income to satisfy Channeled Asbestos Claims; and

---

[1] All capitalized terms not otherwise defined herein shall have their respective meanings as set forth in the Plan, and such definitions are incorporated herein by reference. All capitalized terms not defined herein or defined in the Plan, but defined in the Bankruptcy Code or Rules, shall have the meanings ascribed to them by the Bankruptcy Code and Rules, and such definitions are incorporated herein by reference.

WHEREAS, it is the intent of Hopeman, the Trustee, the UCC, the TAC, and the FCR that the Asbestos Trust be administered, maintained, and operated at all times through mechanisms that provide reasonable assurance that the Asbestos Trust will satisfy all Channeled Asbestos Claims pursuant to the Hopeman Asbestos Trust Distribution Procedures (the "**TDP**") attached to the Plan as Exhibit B in substantially the same manner, and in strict compliance with the terms of this Trust Agreement; and

WHEREAS, all rights of the holders of Channeled Asbestos Claims arising under this Trust Agreement and the TDP shall vest upon the Effective Date; and

WHEREAS, pursuant to the Plan, the Asbestos Trust is intended to qualify as a "qualified settlement fund" within the meaning of section 1.468B-1 *et seq.* of the Treasury Regulations promulgated under section 468B of the Internal Revenue Code (the "**QSF Regulations**"); and

WHEREAS, the Bankruptcy Court has determined that the Asbestos Trust and the Plan satisfy all the prerequisites for an injunction pursuant to section 524(g) of the Bankruptcy Code with respect to any and all Channeled Asbestos Claims, and such injunction has been entered in connection with the Confirmation Order;

NOW, THEREFORE, it is hereby agreed as follows:

SECTION I.

AGREEMENT OF TRUST

1.1 Creation and Name. The Debtor as Settlor hereby creates a trust known as the "Hopeman Asbestos Trust," which is the Asbestos Trust provided for and referred to in the Plan. The Trustee of the Asbestos Trust may transact the business and affairs of the Asbestos Trust in the name of the Asbestos Trust, and references herein to the Asbestos Trust shall include the Trustee acting on behalf of the Asbestos Trust. It is the intention of the parties hereto that the

trust created hereby constitute a statutory trust under Chapter 38 of title 12 of the Delaware Code, 12 Del. C. § 3801 et seq. (the "**Act**") and that this document constitutes the governing instrument of the Asbestos Trust. The Trustee and the Delaware Trustee are hereby authorized and directed to execute and file a Certificate of Trust with the Delaware Secretary of State in the form attached hereto.

1.2 Purpose. Subject to the provisions of the Plan, the purpose of the Asbestos Trust is to assume liability and responsibility for all Channeled Asbestos Claims, and, among other things to: (a) direct the processing, liquidation and payment of Channeled Asbestos Claims in accordance with the Plan, the TDP, and the Confirmation Order, including allowing claimants with Insured Asbestos Claims to pursue their Channeled Asbestos Claims in the tort system; (b) preserve, hold, manage, and maximize the assets of the Asbestos Trust for use in paying and satisfying Channeled Asbestos Claims; and (c) qualify at all times as a qualified settlement fund. The Asbestos Trust is to use the Asbestos Trust's assets and income to pay the holders of Channeled Asbestos Claims in accordance with this Trust Agreement and the TDP in such a way that such holders of Channeled Asbestos Claims are treated fairly, equitably, and reasonably in light of the finite assets available to satisfy such claims, and to otherwise comply in all respects with the requirements of a trust set forth in section 524(g)(2)(B) of the Bankruptcy Code.

1.3 Transfer of Assets. Pursuant to, and in accordance with, Sections 8.2 and 8.3 of the Plan, the Asbestos Trust has received the Asbestos Trust Assets to fund the Asbestos Trust and settle or discharge Channeled Asbestos Claims in the manner provided for under the TDP. In all events, the Asbestos Trust Assets or any other assets to be transferred to the Asbestos Trust under the Plan will be transferred to the Asbestos Trust free and clear of any liens or other claims by the Debtor, Reorganized Hopeman (the "**Reorganized Debtor**"), any Settled Asbestos

Insurer, any creditor, or other entity except as otherwise provided in the Plan. Section 8.19 of the Plan provides for the Debtor and the Reorganized Debtor, among others, to execute and deliver such documents to the Asbestos Trust as the Trustee may request to effectuate the transfer and assignment of any Asbestos Trust Assets to the Asbestos Trust and other terms of the Plan.

1.4 Acceptance of Assets and Assumption of Liabilities.

(a) In furtherance of the purposes of the Asbestos Trust, the Asbestos Trust hereby expressly accepts the transfer to the Asbestos Trust of the Asbestos Trust Assets and any other transfers contemplated by the Plan in the time and manner as, and subject to the terms, contemplated in the Plan.

(b) In furtherance of the purposes of the Asbestos Trust, the Asbestos Trust expressly assumes liability and responsibility for all Channeled Asbestos Claims in substitution for the financial or other responsibility or liability of the Reorganized Debtor therefor. Except as otherwise provided in this Trust Agreement and the TDP, the Asbestos Trust shall have all defenses, cross-claims, offsets, and recoupments, as well as rights of indemnification, contribution, subrogation, and similar rights, regarding such claims that the Debtor or the Reorganized Debtor have or would have had under applicable law. Regardless of the foregoing, however, a claimant must meet otherwise applicable federal and state statutes of limitations and repose, except as otherwise provided in Section 5.1(a)(2) of the TDP.

(c) To the extent required by the Plan, the Asbestos Trust shall reimburse the Reorganized Debtor for out-of-pocket expenses incurred by the Reorganized Debtor.

(d) No provision herein or in the TDP shall be construed or implemented in a manner that would cause the Asbestos Trust to fail to qualify as a "qualified settlement fund" under the QSF Regulations.

(e) Nothing in this Trust Agreement shall be construed in any way to limit (i) the scope, enforceability, or effectiveness of the Asbestos Permanent Channeling Injunction, or (ii) subject to the provisions of Section 1.4(b) above, the Asbestos Trust's assumption of all liability for Channeled Asbestos Claims.

(f) In this Trust Agreement and the TDP the words "must," "will," and "shall" are intended to have the same mandatory force and effect, while the word "may" is intended to be permissive rather than mandatory.

(g) To the extent required by the Act, the beneficial owners (within the meaning of the Act) of the Asbestos Trust (the "**Beneficial Owners**") shall be deemed to be the holders of Channeled Asbestos Claims; provided that (i) the holders of Channeled Asbestos Claims, as such Beneficial Owners, shall have only such rights with respect to the Asbestos Trust and its assets as are set forth in the TDP, and (ii) no greater or other rights, including upon dissolution, liquidation or winding up of the Asbestos Trust, shall be deemed to apply to the holders of Channeled Asbestos Claims in their capacity as Beneficial Owners.

SECTION II.

POWERS AND TRUST ADMINISTRATION

2.1 Powers.

(a) The Trustee is and shall act as the fiduciary to the Asbestos Trust in accordance with the provisions of this Trust Agreement and the Plan. The Trustee shall, at all times, administer the Asbestos Trust and the Asbestos Trust Assets in accordance with the purposes set forth in Section 1.2 above. Subject to the limitations set forth in this Trust

Agreement, the Trustee shall have the power to take any and all actions that, in the judgment of the Trustee, are necessary or proper to fulfill the purposes of the Asbestos Trust, including, without limitation, each power expressly granted in this Section 2.1, any power reasonably incidental thereto and not inconsistent with the requirements of Section 2.2, and any trust power now or hereafter permitted under the laws of the State of Delaware.

(b) Except as required by applicable law or otherwise specified herein, the Trustee need not obtain the order or approval of any court in the exercise of any power or discretion conferred hereunder.

(c) Without limiting the generality of Section 2.1(a) above, and except as limited below, the Trustee shall have the power to:

(i) receive and hold the Asbestos Trust Assets and exercise all rights with respect thereto, including the right to vote and sell any securities that are included in the Asbestos Trust Assets;

(ii) invest the monies held from time to time by the Asbestos Trust;

(iii) sell, transfer, or exchange any or all of the Asbestos Trust Assets at such prices and upon such terms as the Trustee may consider proper, consistent with the other terms of this Trust Agreement;

(iv) enter into leasing and financing agreements with third parties to the extent such agreements are reasonably necessary to permit the Asbestos Trust to operate;

(v) pay liabilities and expenses of the Asbestos Trust;

(vi) establish such funds, reserves, and accounts within the Asbestos Trust estate, as deemed by the Trustee to be useful in carrying out the purposes of the Asbestos Trust;

(vii) sue and be sued and participate, as a party or otherwise, in any judicial, administrative, arbitrative, or other proceeding;

(viii) establish, supervise, and administer the Asbestos Trust in accordance with this Trust Agreement and the TDP and the terms thereof;

(ix) appoint such officers and hire such employees and engage such legal, financial, accounting, investment, auditing, and forecasting, and other consultants and agents as the business of the Asbestos Trust requires, and delegate to such persons such powers and authorities as the fiduciary duties of the Trustee permit and as the Trustee, in his or her discretion, deems advisable or necessary in order to carry out the terms of this Asbestos Trust;

(x) pay employees, legal, financial, accounting, investment, auditing, and forecasting, and other consultants, advisors, and agents, including those engaged by the Asbestos Trust in connection with its alternative dispute resolution activities, reasonable compensation;

(xi) compensate the Trustee, the Delaware Trustee, the TAC members, and the FCR to the extent provided below, and their employees, legal, financial, accounting, investment, and other advisors, consultants, independent contractors, and agents, and reimburse the Trustee, the Delaware Trustee, and the FCR all reasonable out-of-pocket costs and expenses incurred by such persons in connection with the performance of their duties hereunder;

(xii) execute and deliver such instruments as the Trustee considers proper in administering the Asbestos Trust;

(xiii) enter into such other arrangements with third parties as are deemed by the Trustee to be useful in carrying out the purposes of the Asbestos Trust, provided such arrangements do not conflict with any other provision of this Trust Agreement;

(xiv) in accordance with Section 4.6 of this Trust Agreement, defend, indemnify, and hold harmless (and purchase insurance indemnifying) (A) the Trustee, the Delaware Trustee, the members of the TAC, and the FCR, and (B) the officers and employees of the Asbestos Trust, and any agents, advisors and consultants of the Asbestos Trust, the TAC, or the FCR (the "**Additional Indemnitees**"), to the fullest extent that a statutory trust organized under the laws of the State of Delaware is from time to time entitled to indemnify and/or insure its directors, trustees, officers, employees, agents, advisors, and representatives. Notwithstanding anything to the contrary herein, no party shall be indemnified in any way for any liability, expense, claim, damage or loss for which he or she is liable under Section 4.4 below;

(xv) in accordance with the terms of the Plan, defend, indemnify and hold harmless (a) the Released Parties (as defined in the Plan); and (b) the Protected Parties (as defined in the Plan);

(xvi) delegate any or all of the authority herein conferred with respect to the investment of all or any portion of the Asbestos Trust Assets to any one or more reputable individuals or recognized institutional investment advisors or investment managers without liability for any action taken or omission made because of any such delegation, except as provided in Section 4.4 below;

(xvii) consult with the TAC and the FCR at such times and with respect to such issues relating to the conduct of the Asbestos Trust as the Trustee considers desirable; and

(xviii) make, pursue (by litigation or otherwise), collect, compromise or settle, in the name of the Asbestos Trust, any claim, right, action, or cause of action included in the Asbestos Trust Assets, including, but not limited to, insurance recoveries, before any court of

competent jurisdiction; provided, however, that any settlement of rights with respect to Asbestos Insurance Rights shall require the consent of the TAC and the FCR.

(d) The Trustee shall not have the power to guarantee any debt of other persons.

(e) The Trustee agrees to take the actions of the Asbestos Trust required hereunder.

(f) The Trustee shall give the TAC and the FCR prompt notice of any act performed or taken pursuant to Sections 2.1(c)(i), (iii), (vii), or (xvi) above, and any act proposed to be performed or taken pursuant to Section 2.1(c)(xviii) above or Section 2.2(f) below.

2.2 General Administration.

(a) The Trustee shall act in accordance with this Trust Agreement.

(b) The Trustee shall (i) timely file such income tax and other returns and statements required to be filed and shall timely pay all taxes required to be paid by the Asbestos Trust, (ii) comply with all applicable reporting and withholding obligations, (iii) satisfy all requirements necessary to qualify and maintain qualification of the Asbestos Trust as a qualified settlement fund within the meaning of the QSF Regulations, and (iv) take no action that could cause the Asbestos Trust to fail to qualify as a qualified settlement fund within the meaning of the QSF Regulations.

(c) The Trustee shall timely account to the Bankruptcy Court as follows:

(i) The Trustee shall cause to be prepared and filed with the Bankruptcy Court, as soon as available, and in any event within one hundred and twenty (120) days following the end of each fiscal year, an annual report (the "**Annual Report**") containing financial statements of the Asbestos Trust (including, without limitation, a balance sheet of the

Asbestos Trust as of the end of such fiscal year and a statement of operations for such fiscal year) audited by a firm of independent certified public accountants selected by the Trustee and accompanied by an opinion of such firm as to the fairness of the financial statements' presentation of the cash and investments available for the payment of claims. The Trustee shall provide a copy of such Annual Report to the TAC and the FCR when such reports are filed with the Bankruptcy Court.

(ii) Simultaneously with the filing of the Annual Report, the Trustee shall cause to be prepared and filed with the Bankruptcy Court a report containing a summary regarding the number and type of claims disposed of during the period covered by the financial statements. The Trustee shall provide a copy of such report to the TAC and the FCR when such report is filed.

(iii) All materials required to be filed with the Bankruptcy Court by this Section 2.2(c) shall be available for inspection by the public in accordance with procedures established by the Bankruptcy Court and shall be filed with the Office of the United States Trustee for the Eastern District of Virginia (the "**U.S. Trustee**").

(d) The Trustee shall cause to be prepared as soon as practicable prior to the commencement of each fiscal year a budget and cash flow projections covering such fiscal year. The Trustee shall provide a copy of the budget and cash flow projections to the TAC and the FCR.

(e) The Trustee shall consult with the TAC and the FCR (i) on the general implementation and administration of the Asbestos Trust; (ii) on the general implementation and administration of the TDP; and (iii) on such other matters as may be required under this Trust Agreement and the TDP.

(f) The Trustee shall be required to obtain the consent of the TAC and the FCR pursuant to the Consent Process set forth in Section 5.7(b) and 6.6(b) below, in addition to any other instances elsewhere enumerated, in order:

(i) to determine, establish, or change the Payment Percentage described in Section 2.3 of the TDP as provided in Section 4.2 of the TDP;

(ii) to establish and/or to change the Claims Materials to be provided to holders of Channeled Asbestos Claims under Section 6.1 of the TDP;

(iii) to establish and/or change the form of release to be provided pursuant to Section 7.5 of the TDP;

(iv) to select professionals to represent the Asbestos Trust in litigation related to the Asbestos Insurance Rights;

(v) to settle the liability of any insurer under any insurance policy or legal action related thereto;

(vi) to change the compensation of the members of the TAC, the FCR, the Delaware Trustee or the Trustee, other than to reflect changes approved by the Bankruptcy Court as otherwise provided herein;

(vii) to take actions, outside the ordinary course of business, to minimize any tax on the Asbestos Trust Assets; provided that no such action prevents the Asbestos Trust from qualifying as a qualified settlement fund within the meaning of the QSF Regulations or requires an election for the Asbestos Trust to be treated as a grantor trust for tax purposes;

(viii) to amend any provision of this Trust Agreement or the TDP in accordance with the terms thereof;

(ix) to acquire an interest in or to merge any claims resolution organization formed by the Asbestos Trust with another claims resolution organization that is not specifically created by this Trust Agreement or the TDP, or to contract with another claims resolution organization or other entity that is not specifically created by this Trust Agreement or the TDP, or permit any other party to join in any claims resolution organization that is formed by the Asbestos Trust pursuant to the Trust Agreement or the TDP; provided that such merger, acquisition, contract or joinder shall not (a) subject the Reorganized Debtor or any successors in interest thereto, to any risk of having any Asbestos Claim asserted against it or them, or (b) otherwise jeopardize the validity or enforceability of the Asbestos Permanent Channeling Injunction or any other injunction or release issued or granted in connection with the Plan; and provided further that the terms of such merger will require the surviving organization to make decisions about the allowability and value of claims in accordance with Section 2.1 of the TDP which requires that such decisions be based on the provisions of the TDP, or (c) cause the Asbestos Trust to fail to qualify as a "qualified settlement fund" under the QSF Regulations; or

(x) if and to the extent required by Section 6.5 of the TDP, to disclose any information, documents, or other materials to preserve, litigate, resolve, or settle coverage, or to comply with an applicable obligation under an insurance policy or settlement agreement pursuant to Section 6.5 of the TDP.

(g) The Trustee shall meet with the TAC and the FCR no less often than quarterly. The Trustee shall meet in the interim with the TAC and the FCR when so requested by either. Meetings may be held in person, by telephone conference call, or by a combination of the two.

(h) The Trustee, upon notice from either the TAC or the FCR, if practicable in view of pending business, shall at his or her next meeting with the TAC or the FCR consider issues submitted by the TAC or the FCR. The Trustee shall keep the TAC and the FCR reasonably informed regarding all aspects of the administration of the Asbestos Trust.

2.3 Claims Administration. The Trustee shall promptly proceed to implement the TDP.

SECTION III.

ACCOUNTS, INVESTMENTS, AND PAYMENTS

3.1 Accounts.

(a) The Trustee may, from time to time, create such accounts and reserves within the Asbestos Trust estate as he or she may deem necessary, prudent, or useful in order to provide for the payment of expenses and payment of Channeled Asbestos Claims and may, with respect to any such account or reserve, restrict the use of monies therein, and the earnings or accretions thereto.

(b) The Trustee shall include a reasonably detailed description of the creation of any account or reserve in accordance with this Section 3.1 and, with respect to any such account, the transfers made to such account, the proceeds of or earnings on the assets held in each such account and the payments from each such account in the accounts to be filed with the Bankruptcy Court and provided to the TAC and the FCR pursuant to Section 2.2(c)(i) above.

3.2 Investments. Investment of monies held in the Asbestos Trust shall be administered in the manner consistent with the standards set forth in the Uniform Prudent Investor Act, subject to the following limitations and provisions:

(a) The Asbestos Trust may invest only in diversified equity portfolios whose benchmark is a broad equity market index such as, but not limited to, the S&P 500 Index, Russell

1000 Index, S&P ADR Index or MSCI EAFE Index. The Asbestos Trust shall not acquire, directly or indirectly, equity in any entity (other than the Reorganized Debtor or any successor to the Reorganized Debtor) or business enterprise if, immediately following such acquisition, the Asbestos Trust would hold more than 5% of the equity in such entity or business enterprise. The Asbestos Trust shall not hold, directly or indirectly, more than 5% of the equity in any entity (other than the Reorganized Debtor, or any successor to the Reorganized Debtor) or business enterprise.

(b) The Asbestos Trust shall not acquire or hold any long-term debt securities unless (i) such securities are Asbestos Trust Assets under the Plan, (ii) such securities are rated "Baa" or higher by Moody's, "BBB" or higher by Standard & Poor's ("**S&P**"), or have been given an equivalent investment grade rating by another nationally recognized statistical rating agency, or (iii) have been issued or fully guaranteed as to principal and interest by the United States of America or any agency or instrumentality thereof. This restriction does not apply to any pooled investment vehicles where pooled assets receive an investment grade rating (i.e., "BBB" rating or above) by a nationally recognized rating agency.

(c) The Asbestos Trust shall not acquire or hold for longer than ninety (90) days any commercial paper unless such commercial paper is rated "Prime-1" or higher by Moody's or "A-1" or higher by S&P, or has been given an equivalent rating by another nationally recognized statistical rating agency.

(d) The Asbestos Trust shall not acquire any debt securities or other debt instruments issued by any entity if, following such acquisition, the aggregate market value of all such debt securities and/or other debt instruments issued by such entity held by the Asbestos Trust would exceed 5% of the then current aggregate value of the Asbestos Trust's assets. There

is no limitation on holding debt securities or other debt instruments issued or fully guaranteed as to principal and interest by the United States of America or any agency or instrumentality thereof.

(e) The Asbestos Trust shall not acquire or hold any certificates of deposit in an amount exceeding any federal insurance on such certificates of deposit unless all publicly held, long-term debt securities, if any, of the financial institution issuing the certificate of deposit and the holding company, if any, of which such financial institution is a subsidiary, meet the standards set forth in Section 3.2(b) above.

(f) The Asbestos Trust may acquire and hold any securities or instruments issued by the Reorganized Debtor or any successor to the Reorganized Debtor or obtained as proceeds of litigation or otherwise to resolve disputes, without regard to the limitations set forth in Subsections (a)-(e) above.

(g) The Asbestos Trust shall not acquire or hold any repurchase obligations unless, in the opinion of the Trustee, they are adequately collateralized.

(h) The Asbestos Trust may allow its investment managers to acquire prudently or hold derivative instruments, including, without limitation, options, futures and swaps in the normal course of portfolio management. Specifically, the Asbestos Trust may acquire or hold derivatives to help manage or mitigate portfolio risk, including, without limitation, interest rate risk and equity market risk. Using derivative instruments to leverage a portfolio to enhance returns (at a much greater risk to the portfolio) is prohibited.

(i) The Asbestos Trust may lend securities on a short-term basis, subject to adequate, normal and customary collateral arrangements.

(j) Notwithstanding (a) above, the Asbestos Trust may acquire and hold an equity interest in a claims resolution organization without limitation as to the size of the equity interest acquired and held if prior to such acquisition, the Asbestos Trust complies with the provisions of Section 2.2(f)(ix) hereof with respect to the acquisition.

3.3 Source of Payments.

(a) All Asbestos Trust expenses and payments and all liabilities with respect to Channeled Asbestos Claims shall be payable solely by the Trustee out of the Asbestos Trust Assets. Neither (i) the Trustee, the Delaware Trustee, the TAC, or the FCR, or any of their officers, agents, advisors, or employees, nor (ii) the Debtor, the Reorganized Debtor, or any other Protected Party shall be liable for the payment of any Asbestos Trust expense or any other liability of the Asbestos Trust, except to the extent provided in the Plan or Plan Documents.

(b) The Trustee shall include a reasonably detailed description of any payments made in accordance with this Section 3.3 in the Annual Report.

(c) The Trustee, with the consent of the TAC and the FCR, shall establish and implement billing guidelines applicable to the TAC, the FCR, the Trustee, and their respective professionals that seek compensation from the Asbestos Trust.

SECTION IV.

TRUSTEE; DELAWARE TRUSTEE

4.1 Number. In addition to the Delaware Trustee appointed pursuant to Section 4.11, there shall be one (1) Trustee who shall be that person named on the signature page hereof.

4.2 Term of Service.

(a) The initial Trustee named pursuant to Section 4.1 above shall serve an initial term of service of three (3) years. Thereafter each term of service shall be three (3) years. The initial Trustee shall serve from the Effective Date until the earliest of (i) the end of his or her

term, (ii) his or her death, (iii) his or her mandatory retirement at the end of the year in which the Trustee reaches the age of 75 (unless, and for so long as, this mandatory retirement requirement is waived by the agreement of the TAC and the FCR), (iv) his or her resignation pursuant to Section 4.2(b) below, (v) his or her removal pursuant to Section 4.2(c) below, or (vi) the termination of the Asbestos Trust pursuant to Section 7.2 below.

(b) The Trustee may resign at any time by written notice to the TAC and the FCR. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) The Trustee may be removed at the recommendation of the TAC and the FCR with the approval of the Bankruptcy Court, in the event that he or she becomes unable to discharge his or her duties hereunder due to accident or physical or mental deterioration, or for other good cause. Good cause shall be deemed to include, without limitation, any substantial failure to comply with the general administration provisions of Section 2.2 above, a consistent pattern of neglect and failure to perform or participate in performing the duties of the Trustee hereunder, or repeated non-attendance at scheduled meetings. Such removal shall require the approval of the Bankruptcy Court and shall take effect at such time as the Bankruptcy Court shall determine.

4.3 Appointment of Successor Trustee.

(a) In the event of a vacancy in the Trustee position, whether by term expiration, death, retirement, resignation, or removal, the vacancy shall be filled by the TAC and FCR. In the event that the TAC and the FCR cannot agree on the successor Trustee, the Bankruptcy Court shall make the appointment. Nothing in this Trust Agreement shall prevent the reappointment of an individual serving as the Trustee for an additional term or terms.

(b) Immediately upon the appointment of any successor Trustee, all rights, titles, duties, powers and authority of the predecessor Trustee hereunder shall be vested in, and undertaken by, the successor Trustee without any further act. No successor Trustee shall be liable personally for any act or omission of his or her predecessor Trustee. No successor Trustee shall have any duty to investigate the acts or omissions of his or her predecessor Trustee.

(c) Each successor Trustee shall serve until the earliest of (i) the expiration of his or her term, (ii) his or her death, (iii) his or her mandatory retirement at the end of the year in which the Trustee reaches the age of 75 (unless, and for so long as, this mandatory retirement requirement is waived by the agreement of the TAC and the FCR), (iv) his or her resignation pursuant to Section 4.2(b) above, (v) his or her removal pursuant to Section 4.2(c) above, or (vi) the termination of the Asbestos Trust pursuant to Section 7.2 below.

4.4 Liability of Trustee, Members of the TAC and the FCR. The Trustee, the Members of the TAC and the FCR shall not be liable to the Asbestos Trust, to any individual holding an Asbestos Claim, or to any other person, except for any act or omission by such party that constitutes a bad faith violation of the implied contractual covenant of good faith and fair dealing within the meaning of 12 Del. C. § 3806(e).

4.5 Compensation and Expenses of Trustee and Delaware Trustee.

(a) The Trustee shall receive a retainer from the Asbestos Trust for his or her service as a Trustee in the amount of $_____ per annum, paid annually. Hourly time, as described below, shall first be billed and applied to the annual retainer. Hourly time in excess of the annual retainer shall be paid by the Asbestos Trust. For all time expended as Trustee, including attending meetings, preparing for such meetings, and working on authorized special projects, the Trustee shall receive the sum of $___ per hour. For all non-working travel time in

connection with Asbestos Trust business, the Trustee shall receive the sum of $___ per hour. All time shall be computed on a decimal hour basis. The Trustee shall record all hourly time to be charged to the Asbestos Trust on a daily basis. The hourly compensation payable to the Trustee hereunder shall be reviewed every year by the Trustee and, subject to the consent of the TAC and the FCR, appropriately adjusted by the Trustee for changes in the cost of living. The Delaware Trustee shall be paid such compensation as agreed to pursuant to a separate fee agreement.

(b) The Asbestos Trust will promptly reimburse the Trustee and the Delaware Trustee for all reasonable out-of-pocket costs and expenses incurred by the Trustee or the Delaware Trustee in connection with the performance of their duties hereunder.

(c) The Asbestos Trust shall include a description of the amounts paid under this Section 4.5 in the Annual Report.

4.6 Indemnification.

(a) The Asbestos Trust shall indemnify and defend the Trustee, the members of the TAC, the Delaware Trustee, and the FCR in the performance of their duties hereunder to the fullest extent that a statutory trust organized under the laws of the State of Delaware (after the application of Section 7.11) is from time to time entitled to indemnify and defend such persons against any and all liabilities, expenses, claims, damages, or losses incurred by them in the performance of their duties hereunder or in connection with activities undertaken by them prior to the Effective Date in connection with the formation, establishment, or funding of the Asbestos Trust. The Asbestos Trust may indemnify any of the Additional Indemnitees in the performance of their duties hereunder to the fullest extent that a statutory trust organized under the laws of the State of Delaware (after the application of Section 7.11) is from time to time entitled to indemnify and defend such persons against any and all liabilities, expenses, claims, damages, or

losses incurred by them in the performance of their duties hereunder or in connection with activities undertaken by them prior to the Effective Date in connection with the formation, establishment or funding of the Asbestos Trust. Notwithstanding the foregoing, no individual shall be indemnified or defended in any way for any liability, expense, claim, damage, or loss for which he or she is ultimately liable under Section 4.4 above.

(b) Reasonable expenses, costs and fees (including attorneys' fees and costs) incurred by or on behalf of the Trustee, a member of the TAC, the Delaware Trustee, the FCR or an Additional Indemnitee in connection with any action, suit, or proceeding, whether civil, administrative or arbitrative, from which they are indemnified by the Asbestos Trust pursuant to Section 4.6(a) above, shall be paid by the Asbestos Trust in advance of the final disposition thereof upon receipt of an undertaking, by or on behalf of the Trustee, the member of the TAC, the Delaware Trustee, the FCR or the Additional Indemnitee, to repay such amount in the event that it shall be determined ultimately by final order that the Trustee, the member of the TAC, the FCR or the Additional Indemnitee is not entitled to be indemnified by the Asbestos Trust.

(c) The Trustee must purchase and maintain reasonable amounts and types of insurance on behalf of an individual who is or was a Trustee, a Delaware Trustee, a member of the TAC, the FCR or an Additional Indemnitee, including against liability asserted against or incurred by such individual in that capacity or arising from his or her status as a Trustee, TAC member, FCR, an officer or an employee of the Asbestos Trust, or an advisor, consultant or agent of the Asbestos Trust, the TAC, or the FCR.

4.7 Lien. The Trustee, Delaware Trustee, members of the TAC, the FCR and the Additional Indemnitees shall have a first priority lien upon the Asbestos Trust Assets to secure the payment of any amounts payable to them pursuant to Section 4.6 above.

4.8 Trustee's Employment of Experts; Delaware Trustee's Employment of Counsel.

(a) The Trustee may, but shall not be required to, retain and/or consult with counsel, accountants, appraisers, auditors, forecasters, experts, financial and investment advisors and such other parties deemed by the Trustee to be qualified as experts on the matters submitted to them (the "**Trust Professionals**"), and in the absence of a bad faith violation of the implied contractual covenant of good faith and fair dealing, the written opinion of or information provided by any such party deemed by the Trustee to be an expert on the particular matter submitted to such party shall be full and complete authorization and protection in respect of any action taken or not taken by the Trustee hereunder in good faith and in accordance with the written opinion of or information provided by any such party.

(b) The Delaware Trustee shall be permitted to retain counsel only in such circumstances as required in the exercise of its obligations hereunder and compliance with the advice of such counsel shall be full and complete authorization and protection for actions taken or not taken by the Delaware Trustee in good faith in compliance with such advice.

4.9 Trustee's Independence. The Trustee shall not, during the term of his or her service, hold a financial interest in, act as attorney or agent for, or serve as any other professional for the Reorganized Debtor. Notwithstanding the foregoing, the Trustee may serve, without any additional compensation other than the compensation to be paid by the Asbestos Trust pursuant to Section 4.5(a) above, as a director of the Reorganized Debtor. The Trustee shall not act as an attorney for any person who holds an asbestos claim. For the avoidance of doubt, this Section shall not be applicable to the Delaware Trustee.

4.10 Bond. The Trustee and the Delaware Trustee shall not be required to post any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

4.11 Delaware Trustee.

(a) There shall at all times be a Delaware Trustee. The Delaware Trustee shall either be (i) a natural person who is at least 21 years of age and a resident of the State of Delaware or (ii) a legal entity that has its principal place of business in the State of Delaware, otherwise meets the requirements of applicable Delaware law and shall act through one or more persons authorized to bind such entity. If at any time the Delaware Trustee shall cease to be eligible in accordance with the provisions of this Section 4.11, it shall resign immediately in the manner and with the effect hereinafter specified in Section 4.11(c) below. For the avoidance of doubt, the Delaware Trustee will only have such rights and obligations as expressly provided by reference to the Delaware Trustee hereunder.

(b) The Delaware Trustee shall not be entitled to exercise any powers, nor shall the Delaware Trustee have any of the duties and responsibilities, of the Trustee set forth herein. The Delaware Trustee shall be one of the trustees of the Asbestos Trust for the sole and limited purpose of fulfilling the requirements of Section 3807 of the Act and for taking such actions as are required to be taken by a Delaware Trustee under the Act. The duties (including fiduciary duties), liabilities and obligations of the Delaware Trustee shall be limited to (i) accepting legal process served on the Asbestos Trust in the State of Delaware and (ii) the execution of any certificates required to be filed with the Secretary of State of the State of Delaware that the Delaware Trustee is required to execute under Section 3811 of the Act (acting solely at the written direction of the Trustee) and there shall be no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity, of the Delaware Trustee.

To the extent that, at law or in equity, the Delaware Trustee has duties (including fiduciary duties) and liabilities relating thereto to the Asbestos Trust, the other parties hereto or any beneficiary of the Asbestos Trust, it is hereby understood and agreed by the other parties hereto that such duties and liabilities are replaced by the duties and liabilities of the Delaware Trustee expressly set forth in this Trust Agreement.

(c) The Delaware Trustee shall serve until such time as the Trustee removes the Delaware Trustee or the Delaware Trustee resigns and a successor Delaware Trustee is appointed by the Trustee in accordance with the terms of Section 4.11(d) below. The Delaware Trustee may resign at any time upon the giving of at least sixty (60) days' advance written notice to the Trustee; provided, that such resignation shall not become effective unless and until a successor Delaware Trustee shall have been appointed by the Trustee in accordance with Section 4.11(d) below. If the Trustee does not act within such 60-day period, the Delaware Trustee may (at the sole cost and expense of the Asbestos Trust) apply to the Court of Chancery of the State of Delaware for the appointment of a successor Delaware Trustee.

(d) Upon the resignation or removal of the Delaware Trustee, the Trustee shall appoint a successor Delaware Trustee by delivering a written instrument to the outgoing Delaware Trustee. Any successor Delaware Trustee must satisfy the requirements of Section 3807 of the Act. Any resignation or removal of the Delaware Trustee and appointment of a successor Delaware Trustee shall not become effective until a written acceptance of appointment is delivered by the successor Delaware Trustee to the outgoing Delaware Trustee and the Trustee and any fees and expenses due to the outgoing Delaware Trustee are paid. Following compliance with the preceding sentence, the successor Delaware Trustee shall become fully vested with all of the rights, powers, duties and obligations of the outgoing Delaware Trustee under this Trust

Agreement, with like effect as if originally named as Delaware Trustee, and the outgoing Delaware Trustee shall be discharged of its duties and obligations under this Trust Agreement.

4.12 Medicare Reporting Obligations.

(a) The Asbestos Trust shall register as a Responsible Reporting Entity ("**RRE**") under the reporting provisions of Section 111 of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Pub. L. 110-173) ("**MMSEA**") in order to fulfill the reporting requirements applicable to the funders of the Asbestos Trust.

(b) The Asbestos Trust, acting as the RRE and reporting agent for its funders, shall, at its sole expense, timely submit all reports that are required under MMSEA on account of any claims settled, resolved, paid, or otherwise liquidated by the Asbestos Trust or with respect to contributions to the Asbestos Trust. The Asbestos Trust, in its role as RRE and reporting agent, shall follow all applicable guidance published by the Centers for Medicare & Medicaid Services of the United States Department of Health and Human Services and/or any other agent or successor entity charged with responsibility for monitoring, assessing, or receiving reports made under MMSEA (collectively, "**CMS**") to determine whether or not, and, if so, how, to report to CMS pursuant to MMSEA.

(c) The Trustee shall obtain prior to remittance of funds to claimants' counsel or to the claimant, if pro se, in respect of any Asbestos Claim a certification from the claimant to be paid that said claimant has or will provide for the payment and/or resolution of any obligations owing or potentially owing under 42 U.S.C. § 1395y(b), or any related rules, regulations, or guidance, in connection with, or relating to, such Asbestos Claim.

SECTION V.

TRUST ADVISORY COMMITTEE

5.1 Members. The TAC shall consist of _____ (___) members, who shall initially be the persons named on the signature page hereof.

5.2 Duties. The members of the TAC shall serve in a fiduciary capacity representing all holders of present Channeled Asbestos Claims. The TAC shall have no fiduciary obligations or duties to any party other than the holders of present Channeled Asbestos Claims. The Trustee must consult with the TAC on matters identified in Section 2.2(e) above and in other provisions herein and must obtain the consent of the TAC on matters identified in Section 2.2(f) above. Where provided in the TDP, certain other actions by the Trustee are also subject to the consent of the TAC. Except for the duties and obligations expressed in this Trust Agreement and the documents referenced herein (including the TDP), there shall be no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity, of the TAC. To the extent that, at law or in equity, the TAC has duties (including fiduciary duties) and liabilities relating thereto to the Asbestos Trust, the other parties hereto or any beneficiary of the Asbestos Trust, it is hereby understood and agreed by the other parties hereto that such duties and liabilities are replaced by the duties and liabilities of the TAC expressly set forth in this Trust Agreement and the documents referenced herein (including the TDP).

5.3 Term of Office.

(a) The initial members of the TAC appointed in accordance with Section 5.1 above shall serve the staggered three-, four-, or five-year terms shown on the signature pages hereof. Thereafter, each term of office shall be five (5) years. Each member of the TAC shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 5.3(b)

below, (iii) his or her removal pursuant to Section 5.3(c) below, (iv) the end of his or her term as provided above, or (v) the termination of the Asbestos Trust pursuant to Section 7.2 below.

(b) A member of the TAC may resign at any time by written notice to the other members of the TAC, the Trustee and the FCR. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) A member of the TAC may be removed in the event that he or she becomes unable to discharge his or her duties hereunder due to accident, physical deterioration, mental incompetence, or a consistent pattern of neglect and failure to perform or to participate in performing the duties of such member hereunder, such as repeated non-attendance at scheduled meetings, or for other good cause. Such removal shall be made at the recommendation of the remaining members of the TAC with the approval of the Bankruptcy Court.

5.4 Appointment of Successor.

(a) If, prior to the termination of service of a member of the TAC other than as a result of removal, he or she has designated in writing an individual to succeed him or her as a member of the TAC, such individual shall be his or her successor. If such member of the TAC did not designate an individual to succeed him or her prior to the termination of his or her service as contemplated above, such member's law firm may designate his or her successor. If (i) a member of the TAC did not designate an individual to succeed him or her prior to the termination of his or her service and such member's law firm does not designate his or her successor as contemplated above or (ii) he or she is removed pursuant to Section 5.3(c) above, his or her successor shall be appointed by a majority of the remaining members of the TAC or, if such members cannot agree on a successor, the Bankruptcy Court. Nothing in this Trust Agreement

shall prevent the reappointment of an individual serving as a member of the TAC for an additional term or terms, and there shall be no limit on the number of terms that a TAC member may serve.

(b) Each successor TAC member shall serve until the earlier of (i) the end of the full term of five (5) years for which he or she was appointed if his or her immediate predecessor member of the TAC completed his or her term, (ii) the end of the term of the member of the TAC whom he or she replaced if his or her predecessor member did not complete such term, (iii) his or her death, (iv) his or her resignation pursuant to Section 5.3(b) above, (v**)** his or her removal pursuant to Section 5.3(c) above, or (vi**)** the termination of the Asbestos Trust pursuant to Section 7.2 below.

(c) No successor TAC member shall be liable personally for any act or omission of his or her predecessor TAC member. No successor TAC member shall have any duty to investigate the acts or omissions of his or her predecessor TAC member. No TAC member shall be required to post any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

5.5 TAC's Employment of Professionals.

(a) The TAC may but is not required to retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and such other parties deemed by the TAC to be qualified as experts on matters submitted to the TAC (the "**TAC Professionals**"). The TAC and the TAC Professionals shall at all times have complete access to the Asbestos Trust's officers, employees and agents, as well as to the Trust Professionals, and shall also have complete access to all information generated by them or otherwise available to the Asbestos Trust or the Trustee provided that any information provided

by the Trust Professionals shall not constitute a waiver of any applicable privilege. In the absence of a bad faith violation of the implied contractual covenant of good faith and fair dealing, the written opinion of or information provided by any TAC Professional or Trust Professional deemed by the TAC to be qualified as an expert on the particular matter submitted to the TAC shall be full and complete authorization and protection in support of any action taken or not taken by the TAC in good faith and in accordance with the written opinion of or information provided by the TAC Professional or Trust Professional.

(b) The Asbestos Trust shall promptly reimburse, or pay directly if so instructed, the TAC for all reasonable fees and costs associated with the TAC's employment of legal counsel pursuant to this provision in connection with the TAC's performance of its duties hereunder. The Asbestos Trust shall also promptly reimburse, or pay directly if so instructed, the TAC for all reasonable fees and costs associated with the TAC's employment of any other TAC Professional pursuant to this provision in connection with the TAC's performance of its duties hereunder; *provided, however*, that (i) the TAC has first submitted to the Asbestos Trust a written request for such reimbursement setting forth (A) the reasons why the TAC desires to employ such TAC Professional, and (B) the basis upon which the TAC seeks advice independent of the Trust Professionals to meet the need of the TAC for such expertise or advice, and (ii) the Asbestos Trust has approved the TAC's request for reimbursement in writing, which approval must not be unreasonably withheld, delayed, or denied. If the Asbestos Trust agrees to pay for the TAC Professional, such reimbursement shall be treated as an Asbestos Trust expense. If the Asbestos Trust declines to pay for the TAC Professional, it must set forth its reasons in writing. If the TAC still desires to employ the TAC Professional at the Asbestos Trust's expense, the TAC and/or the Trustee shall resolve their dispute pursuant to Section 7.13 below.

5.6 Compensation and Expenses of the TAC. The members of the TAC shall not receive compensation or expense reimbursement from the Asbestos Trust in connection with their services as TAC members.

5.7 Procedures for Consultation with and Obtaining the Consent of the TAC.

(a) Consultation Process.

(i) In the event the Trustee is required to consult with the TAC pursuant to Section 2.2(e) above or on other matters as provided herein, the Trustee shall provide the TAC with written advance notice of the matter under consideration, and with all relevant information concerning the matter as is reasonably practicable under the circumstances. The Trustee shall also provide the TAC with such reasonable access to the Trust Professionals and other experts retained by the Asbestos Trust and its staff (if any) as the TAC may reasonably request during the time that the Trustee is considering such matter, and shall also provide the TAC the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such matter with the Trustee.

(ii) In determining when to take definitive action on any matter subject to the consultation procedures set forth in this Section 5.7(a), the Trustee shall take into consideration the time required for the TAC, if its members so wish, to engage and consult with its own independent financial or investment advisors as to such matter. In any event, the Trustee shall not take definitive action on any such matter until at least thirty (30) days after providing the TAC with the initial written notice that such matter is under consideration by the Trustee, unless such time period is waived by the TAC.

(b) Consent Process.

(i) In the event the Trustee is required to obtain the consent of the TAC pursuant to Section 2.2(f) above, the Trustee shall provide the TAC with a written notice stating that their consent is being sought pursuant to that provision, describing in detail the nature and scope of the action the Trustee proposes to take, and explaining in detail the reasons why the Trustee desires to take such action. The Trustee shall provide the TAC as much relevant additional information concerning the proposed action as is reasonably practicable under the circumstances. The Trustee shall also provide the TAC with such reasonable access to the Trust Professionals and other experts retained by the Asbestos Trust and its staff (if any) as the TAC may reasonably request during the time that the Trustee is considering such action, and shall also provide the TAC the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such action with the Trustee.

(ii) The TAC must consider in good faith and in a timely fashion any request for its consent by the Trustee, and must in any event advise the Trustee in writing of its consent or its objection to the proposed action within thirty (30) days of receiving the original request for consent from the Trustee, or within such additional time as the Trustee and the TAC may agree. The TAC may not withhold its consent unreasonably. If the TAC decides to withhold its consent, it must explain in detail its objections to the proposed action. If the TAC does not advise the Trustee in writing of its consent or its objections to the action within thirty (30) days of receiving notice regarding such request (or the additional time period agreed to by the Trustee and the TAC), the TAC's consent to the proposed actions shall be deemed to have been affirmatively granted.

(iii) If, after following the procedures specified in this Section 5.7(b), the TAC continues to object to the proposed action and to withhold its consent to the proposed

action, the Trustee and/or the TAC shall resolve their dispute pursuant to Section 7.13. However, the burden of proof with respect to the validity of the TAC's objection and withholding of its consent shall be on the TAC.

SECTION VI.

THE FCR

6.1 Duties. The initial FCR shall be the individual identified on the signature pages hereto. He or she shall serve in a fiduciary capacity, representing the interests of the holders of future Channeled Asbestos Claims for the purpose of protecting the rights of such persons. The FCR shall have no fiduciary obligations or duties to any party other than holders of future Channeled Asbestos Claims. The Trustee must consult with the FCR on matters identified in Section 2.2(e) above and on certain other matters provided herein and must obtain the consent of the FCR on matters identified in Section 2.2(f) above. Where provided in the TDP, certain other actions by the Trustee are also subject to the consent of the FCR. Except for the duties and obligations expressed in this Trust Agreement and the documents referenced herein (including the TDP), there shall be no other duties (including fiduciary duties) or obligations, express or implied, at law or in equity, of the FCR. To the extent that, at law or in equity, the FCR has duties (including fiduciary duties) and liabilities relating thereto to the Asbestos Trust, the other parties hereto or any beneficiary of the Asbestos Trust, it is hereby understood and agreed by the other parties hereto that such duties and liabilities are replaced by the duties and liabilities of the FCR expressly set forth in this Trust Agreement and the documents referenced herein (including the TDP).

6.2 Term of Office.

(a) The FCR shall serve until the earlier of (i) his or her death, (ii) his or her resignation pursuant to Section 6.2(b) below, (iii) his or her removal pursuant to Section 6.2(c) below, or (iv) the termination of the Asbestos Trust pursuant to Section 7.2 below.

(b) The FCR may resign at any time by written notice to the Trustee. Such notice shall specify a date when such resignation shall take effect, which shall not be less than ninety (90) days after the date such notice is given, where practicable.

(c) The FCR may be removed by the Bankruptcy Court in the event he or she becomes unable to discharge his or her duties hereunder due to accident, physical deterioration, mental incompetence, or a consistent pattern of neglect and failure to perform or to participate in performing the duties hereunder, such as repeated non-attendance at scheduled meetings, or for other good cause.

(d) No successor FCR shall be liable personally for any act or omission of his or her predecessor. No successor FCR shall have any duty to investigate the acts or omissions of his or her predecessor. No FCR shall be required to post any bond or other form of surety or security unless otherwise ordered by the Bankruptcy Court.

6.3 Appointment of Successor. A vacancy caused by resignation or death shall be filled with an individual nominated prior to the effective date of the resignation or the death by the resigning or deceased FCR, and a vacancy caused by removal of the FCR shall be filled with an individual selected by the Trustee in consultation with the TAC. In the event a nominee has not been pre-selected, the successor shall be chosen by the Trustee in consultation with the TAC.

6.4 FCR's Employment of Professionals.

(a) The FCR may, but is not required to, retain and/or consult counsel, accountants, appraisers, auditors, forecasters, experts, and financial and investment advisors, and

such other parties deemed by the FCR to be qualified as experts on matters submitted to the FCR (the "**FCR Professionals**"). The FCR and the FCR Professionals shall at all times have complete access to the Asbestos Trust's officers, employees and agents, as well as to the Trust Professionals, and shall also have complete access to all information generated by them or otherwise available to the Asbestos Trust or the Trustee provided that any information provided by the Trust Professionals shall not constitute a waiver of any applicable privilege. In the absence of a bad faith violation of the implied contractual covenant of good faith and fair dealing, the written opinion of or information provided by any FCR Professional or Trust Professional deemed by the FCR to be qualified as an expert on the particular matter submitted to the FCR shall be full and complete authorization and protection in support of any action taken, or not taken, by the FCR in good faith and in accordance with the written opinion of or information provided by the FCR Professional or Trust Professional.

(b) The Asbestos Trust shall promptly reimburse, or pay directly if so instructed, the FCR for all reasonable fees and costs associated with the FCR's employment of legal counsel pursuant to this provision in connection with the FCR's performance of his or her duties hereunder. The Asbestos Trust shall also promptly reimburse, or pay directly if so instructed, the FCR for all reasonable fees and costs associated with the FCR's employment of any other FCR Professionals pursuant to this provision in connection with the FCR's performance of his or her duties hereunder; *provided, however*, that (i) the FCR has first submitted to the Asbestos Trust a written request for such reimbursement setting forth (A) the reasons why the FCR desires to employ the FCR Professional, and (B) the basis upon which the FCR seeks advice independent of the Trust Professionals to meet the need of the FCR for such expertise or advice, and (ii) the Asbestos Trust has approved the FCR's request for

reimbursement in writing, which approval must not be unreasonably withheld, delayed, or denied. If the Asbestos Trust agrees to pay for the FCR Professional, such reimbursement shall be treated as an Asbestos Trust expense. If the Asbestos Trust declines to pay for the FCR Professional, it must set forth its reasons in writing. If the FCR still desires to employ the FCR Professional at the Asbestos Trust's expense, the FCR and/or the Trustee shall resolve their dispute pursuant to Section 7.13 below.

6.5 Compensation and Expenses of the FCR. The FCR shall receive compensation from the Asbestos Trust in the form of payment at the FCR's normal hourly rate for services performed. The Asbestos Trust will promptly reimburse the FCR for all reasonable out-of-pocket costs and expenses incurred by the FCR in connection with the performance of his or her duties hereunder. Such reimbursement or direct payment shall be deemed an Asbestos Trust expense. The Asbestos Trust shall include a description of the amounts paid under this Section 6.5 in the Annual Report to be filed with the Bankruptcy Court and provided to the FCR and the TAC pursuant to Section 2.2(c)(i).

6.6 Procedures for Consultation with and Obtaining the Consent of the FCR.

(a) Consultation Process.

(i) In the event the Trustee is required to consult with the FCR pursuant to Section 2.2(e) above or on any other matters specified herein, the Trustee shall provide the FCR with written advance notice of the matter under consideration, and with all relevant information concerning the matter as is reasonably practicable under the circumstances. The Trustee shall also provide the FCR with such reasonable access to the Trust Professionals and other experts retained by the Asbestos Trust and its staff (if any) as the FCR may reasonably request during the time that the Trustee is considering such matter, and shall also provide the

FCR the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such matter with the Trustee.

(ii) In determining when to take definitive action on any matter subject to the consultation process set forth in this Section 6.6(a), the Trustee shall take into consideration the time required for the FCR, if he or she so wishes, to engage and consult with his or her own independent financial or investment advisors as to such matter. In any event, the Trustee shall not take definitive action on any such matter until at least thirty (30) days after providing the FCR with the initial written notice that such matter is under consideration by the Trustee, unless such period is waived by the FCR.

(b) Consent Process.

(i) In the event the Trustee is required to obtain the consent of the FCR pursuant to Section 2.2(f) above, the Trustee shall provide the FCR with a written notice stating that his or her consent is being sought pursuant to that provision, describing in detail the nature and scope of the action the Trustee proposes to take, and explaining in detail the reasons why the Trustee desires to take such action. The Trustee shall provide the FCR as much relevant additional information concerning the proposed action as is reasonably practicable under the circumstances. The Trustee shall also provide the FCR with such reasonable access to the Trust Professionals and other experts retained by the Asbestos Trust and its staff (if any) as the FCR may reasonably request during the time that the Trustee is considering such action, and shall also provide the FCR the opportunity, at reasonable times and for reasonable periods of time, to discuss and comment on such action with the Trustee.

(ii) The FCR must consider in good faith and in a timely fashion any request for his or her consent by the Trustee, and must in any event advise the Trustee in writing

of his or her consent or objection to the proposed action within thirty (30) days of receiving the original request for consent from the Trustee, or within such additional time as the Trustee and FCR may agree. The FCR may not withhold his or her consent unreasonably. If the FCR decides to withhold consent, he or she must explain in detail his or her objections to the proposed action. If the FCR does not advise the Trustee in writing of his or her consent or objections to the proposed action within thirty (30) days of receiving the notice from the Trustee regarding such consent (or the additional time period agreed to by the Trustee and the FCR), the FCR's consent shall be deemed to have been affirmatively granted.

(iii) If, after following the procedures specified in this Section 6.6(b), the FCR continues to object to the proposed action and to withhold its consent to the proposed action, the Trustee and/or the FCR shall resolve their dispute pursuant to Section 7.13. However, the burden of proof with respect to the validity of the FCR's objection and withholding of his or her consent shall be on the FCR.

SECTION VII.

GENERAL PROVISIONS

7.1 Irrevocability. To the fullest extent permitted by applicable law, the Asbestos Trust is irrevocable.

7.2 Term; Termination.

(a) The term for which the Asbestos Trust is to exist shall commence on the date of the filing of the Certificate of Trust and shall terminate pursuant to the provisions of Section 7.2(b)-(d) below.

(b) The Asbestos Trust shall automatically dissolve on the date (the "**Dissolution Date**") ninety (90) days after the first to occur of the following events:

(i) the date on which the Trustee decides after consultation with the TAC and the FCR, to dissolve the Asbestos Trust because (A) he or she deems it unlikely that new compensable Channeled Asbestos Claims will be filed with the Asbestos Trust, (B) all Channeled Asbestos Claims duly filed with the Asbestos Trust have been liquidated and paid to the extent provided in this Trust Agreement and the TDP or have been disallowed to the extent possible based upon the funds available through the Plan, (C) twelve (12) consecutive months have elapsed during which no new compensable Asbestos Claim has been filed with the Asbestos Trust, or (D) in the judgment of the Trustee, the continued administration of the Asbestos Trust is uneconomic given the anticipated future costs of operating the Asbestos Trust compared to the amount of the anticipated future payments to holders of Channeled Asbestos Claims; or

(ii) if the Trustee has procured and has in place irrevocable insurance policies and has established claims handling agreements and other necessary arrangements with suitable third parties adequate to discharge all expected remaining obligations and expenses of the Asbestos Trust in a manner consistent with this Trust Agreement and the TDP, the date on which the Bankruptcy Court enters an order approving such insurance and other arrangements and such order becomes a final order; or

(iii) to the extent that any rule against perpetuities shall be deemed applicable to the Asbestos Trust, the date on which twenty-one (21) years less ninety-one (91) days pass after the death of the last survivor of all of the descendants of the late Joseph P. Kennedy, Sr., father of the late President John F. Kennedy, living on the date hereof.

(c) On the Dissolution Date or as soon as reasonably practicable, after the wind-up of the Asbestos Trust's affairs by the Trustee and payment of all the Asbestos Trust's liabilities have been provided for as required by applicable law including Section 3808 of the

Act, all monies remaining in the Asbestos Trust estate shall be given to such organization(s) exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, which tax-exempt organization(s) shall be selected by the Trustee using his or her reasonable discretion; *provided, however*, that (i) if practicable, the activities of the selected tax-exempt organization(s) shall be related to the treatment of, research on, or the relief of suffering of individuals suffering from asbestos-related disorders, and (ii) the tax-exempt organization(s) shall not bear any relationship to the Reorganized Debtor within the meaning of section 468B(d)(3) of the Internal Revenue Code. Notwithstanding any contrary provision of the Plan and related documents, this Section 7.2(c) cannot be modified or amended.

(d) Following the dissolution and distribution of the assets of the Asbestos Trust, the Asbestos Trust shall terminate and the Trustee and the Delaware Trustee (acting solely at the written direction of the Trustee) shall execute and cause a Certificate of Cancellation of the Certificate of Trust of the Asbestos Trust to be filed in accordance with the Act. Notwithstanding anything to the contrary contained in this Trust Agreement, the existence of the Asbestos Trust as a separate legal entity shall continue until the filing of such Certificate of Cancellation.

7.3 Amendments. The Trustee, after consultation with the TAC and the FCR, and subject to the unanimous consent of the TAC and the FCR, may modify or amend this Trust Agreement. The Trustee, after consultation with the TAC and the FCR, and subject to the consent of the TAC and the FCR, may modify or amend the TDP; *provided, however*, that no amendment to the TDP shall be inconsistent with the provisions limiting amendments to that document provided therein. Any modification or amendment made pursuant to this Section must be done in writing. Notwithstanding anything contained in this Trust Agreement or the TDP to the contrary, neither this Trust Agreement, the TDP, nor any document annexed to the foregoing

shall be modified or amended in any way that could jeopardize, impair, or modify (i) the applicability of section 524(g) of the Bankruptcy Code to the Plan and the Confirmation Order, (ii) the efficacy or enforceability of the Asbestos Permanent Channeling Injunction or any other injunction or release issued or granted in connection with the Plan, or (iii) the Asbestos Trust's qualified settlement fund status under the QSF Regulations. Any amendment affecting the rights, duties, immunities or liabilities of the Delaware Trustee shall require the Delaware Trustee's written consent. Any amendment affecting the reservation of rights of Huntington Ingalls Industries, Inc. ("**HII**") contained within Section 5.2(a)(xii) of the TDP shall require HII's written consent. In the event the Asbestos Trust, with the consent of the TAC and the FCR, reaches a settlement with an Asbestos Insurer on or after the Effective Date that resolves such Asbestos Insurer's asbestos insurance coverage, such settlement shall require the approval of the Bankruptcy Court. To the extent such settlement requires a revision of the TDP, such revision shall require the consent of the TAC and the FCR.

7.4 Meetings. The Delaware Trustee shall not be required nor permitted to attend meetings relating to the Asbestos Trust.

7.5 Severability. Should any provision in this Trust Agreement be determined to be unenforceable, such determination shall in no way limit or affect the enforceability and operative effect of any and all other provisions of this Trust Agreement.

7.6 Notices. Notices to persons asserting claims shall be given by first class mail, postage prepaid, at the address of such person, or, where applicable, such person's legal representative, in each case as provided on such person's claim form submitted to the Asbestos Trust with respect to his or her Asbestos Claim.

(a) Any notices or other communications required or permitted hereunder to the following parties shall be in writing and delivered at the addresses designated below, or sent by e-mail pursuant to the instructions listed below, or mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows, or to such other address or addresses as may hereafter be furnished in writing to each of the other parties listed below in compliance with the terms hereof.

To the Asbestos Trust through the Trustee:

[TO COME]

With a copy to:

[TO COME]

To the Delaware Trustee:

[TO COME]

To the TAC:

[TO COME]

To the FCR:

[TO COME]

To the Reorganized Debtor:

[TO COME]

(b) All such notices and communications if mailed shall be effective when physically delivered at the designated addresses or, if electronically transmitted, when the communication is received at the designated addresses and confirmed by the recipient by return transmission.

7.7 Successors and Assigns. The provisions of this Trust Agreement shall be binding upon and inure to the benefit of the Debtor, the Asbestos Trust, the Trustee, and the Reorganized Debtor, and their respective successors and assigns, except that neither the Debtor, the Asbestos Trust, the Trustee, nor the Reorganized Debtor may assign or otherwise transfer any of its, or their, rights or obligations, if any, under this Trust Agreement except, in the case of the Asbestos Trust and the Trustee, as contemplated by Section 2.1 above.

7.8 Limitation on Claim Interests for Securities Laws Purposes. Channeled Asbestos Claims, and any interests therein (a) shall not be assigned, conveyed, hypothecated, pledged, or otherwise transferred, voluntarily or involuntarily, directly or indirectly, except by will or under the laws of descent and distribution; (b) shall not be evidenced by a certificate or other instrument; (c) shall not possess any voting rights; and (d) shall not be entitled to receive any dividends or interest; provided, however, that clause (a) of this Section 7.8 shall not apply to the holder of a claim that is subrogated to an Asbestos Claim as a result of its satisfaction of such Asbestos Claim.

7.9 Entire Agreement; No Waiver. The entire agreement of the parties relating to the subject matter of this Trust Agreement is contained herein and in the documents referred to herein, and this Trust Agreement and such documents supersede any prior oral or written agreements concerning the subject matter hereof. No failure to exercise or delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any further exercise thereof or of any other right, power or privilege. The rights and remedies herein provided are cumulative and are not exclusive of rights under law or in equity.

7.10 Headings. The headings used in this Trust Agreement are inserted for convenience only and do not constitute a portion of this Trust Agreement, nor in any manner affect the construction of the provisions of this Trust Agreement.

7.11 Governing Law. The validity and construction of this Trust Agreement and all amendments hereto and thereto shall be governed by laws of the State of Delaware, and the rights of all parties hereto and the effect of every provision hereof shall be subject to and construed according to the laws of the State of Delaware without regard to the conflicts of law provisions thereof that would purport to apply the law of any other jurisdiction; provided, however, that the parties hereto intend that the provisions hereof shall control and there shall not be applicable to the Asbestos Trust, the Trustee, the Delaware Trustee, the TAC, the FCR, or this Trust Agreement, any provision of the laws (statutory or common) of the State of Delaware pertaining to trusts that relate to or regulate in a manner inconsistent with the terms hereof: (a) the filing with any court or governmental body or agency of trustee accounts or schedules of trustee fees and charges; (b) affirmative requirements to post bonds for trustees, officers, agents, or employees of a trust; (c) the necessity for obtaining court or other governmental approval concerning the acquisition, holding or disposition of real or personal property; (d) fees or other sums payable to trustees, officers, agents or employees of a trust; (e) the allocation of receipts and expenditures to income or principal; (f) restrictions or limitations on the permissible nature, amount or concentration of trust investments or requirements relating to the titling, storage or other manner of holding of trust assets; (g) the existence of rights or interests (beneficial or otherwise) in trust assets; (h) the ability of beneficial owners or other persons to terminate or dissolve a trust; or (i) the establishment of fiduciary or other standards or responsibilities or limitations on the acts or powers of trustees or beneficial owners that are inconsistent with the

limitations on liability or authorities and powers of the Trustee, the Delaware Trustee, the TAC, or the FCR set forth or referenced in this Trust Agreement. Section 3540 of the Act shall not apply to the Asbestos Trust.

7.12 Settlor's Representative and Cooperation. The Debtor is hereby irrevocably designated as the Settlor, and it is hereby authorized to take any action required of the Settlor by the Trustee in connection with the Trust Agreement. The Reorganized Debtor agrees to cooperate in implementing the goals and objectives of this Trust Agreement.

7.13 Dispute Resolution. Any disputes that arise under this Trust Agreement or under the TDP among the parties hereto shall be resolved by submission of the matter to an alternative dispute resolution ("**ADR**") process mutually agreeable to the parties involved. Should any party to the ADR process be dissatisfied with the decision of the arbitrator(s), that party may apply to the Bankruptcy Court for a judicial determination of the matter. Any review conducted by the Bankruptcy Court shall be *de novo*. In any case, if the dispute arose pursuant to the consent provision set forth in Section 5.7(b) (in the case of the TAC) or Section 6.6(b) (in the case of the FCR), the burden of proof shall be on the party or parties who withheld consent to show that the objection was valid. Should the dispute not be resolved by the ADR process within thirty (30) days after submission, the parties are relieved of the requirement to pursue ADR prior to application to the Bankruptcy Court. If the Trustee determines that the matter in dispute is exigent and cannot await the completion of the ADR process, the Trustee shall have the discretion to elect out of the ADR process altogether or at any stage of the process and seek resolution of the dispute in the Bankruptcy Court.

7.14 Enforcement and Administration. The provisions of this Trust Agreement and the TDP attached hereto shall be enforced by the Bankruptcy Court pursuant to the Plan. The

parties hereby further acknowledge and agree that the Bankruptcy Court shall have exclusive jurisdiction over the settlement of the accounts of the Trustee and over any disputes hereunder not resolved by alternative dispute resolution in accordance with Section 7.13 above.

7.15 Effectiveness. This Trust Agreement shall not become effective until it has been executed and delivered by all the parties hereto.

7.16 Counterpart Signatures. This Trust Agreement may be executed in any number of counterparts and by different Parties on separate counterparts (including by portable document format (pdf) or DocuSign), and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the parties have executed this Trust Agreement this _____ day of _____, 2025.

HOPEMAN BROTHERS, INC.

By:_____

Title: _____

UNSECURED CREDITORS COMMITTEE

By:_____

TRUSTEE

_____
Name:

DELAWARE TRUSTEE

[TO COME]

By:_____
Name:

Title:

TRUST ADVISORY COMMITTEE

_____
Name:
Expiration Date of Initial Term: _____ Anniversary of the date of this Trust Agreement

_____
Name:
Expiration Date of Initial Term: _____ Anniversary of the date of this Trust Agreement

_____
Name:
Expiration Date of Initial Term: _____ Anniversary of the date of this Trust Agreement

_____
Name:
Expiration Date of Initial Term: _____ Anniversary of the date of this Trust Agreement

_____
Name:
Expiration Date of Initial Term: _____ Anniversary of the date of this Trust Agreement

FCR

_____
Name:

Exhibit B

Asbestos Trust Distribution Procedures

HOPEMAN ASBESTOS
TRUST DISTRIBUTION PROCEDURES

HOPEMAN ASBESTOS PERSONAL INJURY TRUST DISTRIBUTION PROCEDURES

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HOPEMAN ASBESTOS
TRUST DISTRIBUTION PROCEDURES

The Hopeman Asbestos Trust Distribution Procedures (the "**TDP**") contained herein provide for resolving Channeled Asbestos Claims, as defined in the Plan of Reorganization of Hopeman Brothers, Inc. (the "**Debtor**" or "**Hopeman**"), dated as of April ___, 2025 (as it may be amended, modified or supplemented, the "**Plan**"),[1] as provided in and required by the Plan and the Hopeman Asbestos Trust Agreement (the "**Trust Agreement**"). The Plan and the Trust Agreement establish the Hopeman Asbestos Trust (the "**Asbestos Trust**"). The Trustee of the Asbestos Trust (the "**Trustee**") shall implement and administer this TDP in accordance with the Trust Agreement.

SECTION 1.

INTRODUCTION

1.1 Purpose. This TDP has been adopted pursuant to the Trust Agreement. It is designed to provide fair, equitable and substantially similar treatment for all Channeled Asbestos Claims that may presently exist or may arise in the future.

1.2 Interpretation. Except as expressly provided below, nothing in this TDP shall be deemed to create a substantive right for any claimant. The rights and benefits provided herein to holders of Channeled Asbestos Claims shall vest in such holders as of the Effective Date.

SECTION 2.

OVERVIEW

2.1 Asbestos Trust Goal. The goal of the Asbestos Trust is to treat all claimants similarly and equitably in accordance with the requirements of section 524(g) of the Bankruptcy

[1] Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Plan and the Trust Agreement**.**

Code. This TDP furthers that goal by setting forth procedures that allow claimants with Channeled Asbestos Claims that are Insured Asbestos Claims to pursue their Channeled Asbestos Claims in the tort system, as they did prior to the Petition Date ("**Pre-Petition**"), and that provide for processing and paying the Uninsured Asbestos Claims[2] that would have been paid by the Debtor Pre-Petition, on an impartial, first-in-first-out ("**FIFO**") basis.

2.2 Channeled Asbestos Claims Handling and Liquidation Procedures. Insured Asbestos Claims shall be resolved in the tort system as described in Section 5.2 below.

Uninsured Asbestos Claims, if any, shall be processed based on their place in the FIFO Processing Queue, as defined in Section 5.1(a)(1) below. If the Asbestos Trust is satisfied that the claimant has presented a claim that would be cognizable and valid in the applicable tort system and would have been compensable by the Debtor Pre-Petition, the Asbestos Trust shall offer the claimant a settlement amount to be determined based on the values paid by the Debtor with respect to substantially similar claims in the tort system, which values shall be determined by reference to the Debtor's tort system history, including the valuation data contained in such history. The Asbestos Trust shall take all reasonable steps to resolve Uninsured Asbestos Claims as efficiently and expeditiously as possible.

Unresolved disputes involving the Asbestos Trust and the resolution of its liability with respect to Uninsured Asbestos Claims shall be subject to binding arbitration as set forth in Section 5.7 below under ADR Procedures established by the Asbestos Trust.

[2] The Plan provides that an "**Uninsured Asbestos Claim**" is a Channeled Asbestos Claim (a) with a date of first exposure to asbestos or asbestos-containing products or things falling after January 1, 1985, or (b) for which no coverage under any Asbestos Insurance Policy is available due to settlement (including an Asbestos Insurance Settlement), exhaustion, or a final and non-appealable ruling on a coverage issue or defense.

2.3 Establishment and Application of the Payment Percentage. The initial Payment Percentage (as defined and described in Sections 4.1 and 4.2 below) for all claims, or portions of claims, paid by the Asbestos Trust shall be established by the Trustee with the consent of the Asbestos Trust Advisory Committee ("**TAC**") and the Future Claimants' Representative ("**FCR**") promptly after the Asbestos Trust is established. After the value of an Uninsured Asbestos Claim is determined pursuant to the procedures set forth herein, the claimant shall ultimately receive a pro-rata share of that amount (subject to Section 7.1 hereof) based on the Payment Percentage. Each Asbestos Indirect Claim is either an Insured Asbestos Claim or an Uninsured Asbestos Claim, depending upon the facts underlying the particular Asbestos Indirect Claim, and the portion of the value of any Asbestos Indirect Claim that is an Uninsured Asbestos Claim for which the Asbestos Trust is responsible shall be subject to the Payment Percentage.

The Payment Percentage may be adjusted upwards or downwards from time to time by the Asbestos Trust with the consent of the TAC and the FCR to reflect then-current estimates of the Asbestos Trust's assets and its liabilities. Because there is uncertainty in the prediction of both the total amount of the Asbestos Trust's asbestos-related liabilities and the value of the Asbestos Trust's assets over time, no guarantee can be made of any particular Payment Percentage that will be applicable to a payment on any Channeled Asbestos Claim.

SECTION 3.

TDP ADMINISTRATION

3.1 Trust Advisory Committee and FCR. Pursuant to the Plan and the Trust Agreement, the Asbestos Trust and this TDP shall be administered by the Trustee in consultation with the TAC, which represents the interests of holders of present Channeled Asbestos Claims, and

the FCR, who represents the interests of holders of Channeled Asbestos Claims that may be asserted in the future. The Trustee shall obtain the consent of the TAC and the FCR on any amendments to this TDP pursuant to Section 3.2 below, and on such other matters as are otherwise required below or in Section 2.2(f) of the Trust Agreement. The Trustee shall also consult with the TAC and the FCR on such matters as are provided below or in Section 2.2(e) of the Trust Agreement.

3.2 Consent and Consultation Procedures. In those circumstances in which consultation or consent is required, the Trustee shall provide written notice to the TAC and the FCR of the specific amendment or other action that is proposed. The Trustee shall not implement such amendment or take such action unless and until the parties have engaged in the Consultation Process described in Sections 5.7(a) and 6.6(a), or the Consent Process described in Sections 5.7(b) and 6.6(b), of the Trust Agreement, respectively.

SECTION 4.

PAYMENT PERCENTAGE

4.1 Uncertainty of Debtor's Channeled Asbestos Claims Liabilities. As discussed above, there is inherent uncertainty regarding the Asbestos Trust's total asbestos-related liabilities, as well as the total value of the Asbestos Trust's assets over time. Consequently, there is inherent uncertainty regarding the amounts that holders of Uninsured Asbestos Claims shall receive from the Asbestos Trust. To seek to ensure substantially equivalent treatment of all present and future Uninsured Asbestos Claims by the Asbestos Trust, the Trustee must determine from time to time the percentage of value that holders of present and future Uninsured Asbestos Claims are likely to receive from the Asbestos Trust (the "**Payment Percentage**").

4.2 Computation of the Payment Percentage. As provided in Section 2.3 above, the initial Payment Percentage shall be set by the Trustee with the consent of the TAC and the FCR promptly after the Asbestos Trust is established. Thereafter, the Payment Percentage shall be subject to change pursuant to the terms of this TDP and the Trust Agreement if the Trustee, with the consent of the TAC and FCR, determines that an adjustment is required. No less frequently than once every three (3) years, with the first three-year period commencing on the first day of January following the Effective Date, the Trustee shall reconsider the then applicable Payment Percentage to assure that it is based on accurate, current information and may, after such reconsideration, change the Payment Percentage if necessary with the consent of the TAC and the FCR. The Trustee shall also reconsider the then applicable Payment Percentage at shorter intervals if he or she deems such reconsideration to be appropriate or if requested to do so by the TAC or the FCR. In any event, no less frequently than once every twelve (12) months, commencing one year after the date the Asbestos Trust first makes available the proof of claim forms and other claims materials required to file an Uninsured Asbestos Claim with the Asbestos Trust, the Trustee shall compare the liability forecast on which the then applicable Payment Percentage is based with the actual claims filing and payment experience of the Asbestos Trust to date. If the results of the comparison call into question the ability of the Asbestos Trust to continue to rely upon the current liability forecast, the Trustee shall undertake a reconsideration of the Payment Percentage.

The Trustee must base his or her determination of the Payment Percentage on current estimates of payments related to Uninsured Asbestos Claims, the value of the assets of the Asbestos Trust, all anticipated administrative and legal expenses, and any other material matters that are reasonably likely to affect the sufficiency of funds available to pay a comparable percentage of the

Asbestos Trust's liability to holders of Uninsured Asbestos Claims. When making these determinations, the Trustee shall exercise common sense and flexibly evaluate all relevant factors.

4.3 Applicability of the Payment Percentage.

The Trust shall apply the Payment Percentage to all payments made to holders of Uninsured Asbestos Claims. Subject to the provisions of Section 5.1(b) below, the payment to a claimant shall reflect the Payment Percentage in effect at the time of the payment. If a redetermination of the Payment Percentage has been proposed in writing by the Trustee to the TAC and the FCR but has not yet been adopted, the claimant shall receive the lower of the current Payment Percentage or the proposed Payment Percentage. However, if the proposed Payment Percentage is the lower amount but is not subsequently adopted, the claimant shall thereafter receive the difference between the lower proposed amount and the higher current amount. Conversely, if the proposed Payment Percentage is the higher amount and is subsequently adopted, the claimant shall thereafter receive the difference between the lower current amount and the higher adopted amount.

At least thirty (30) days prior to proposing in writing to the TAC and the FCR a change in the Payment Percentage, the Trustee shall issue a written notice to claimants or claimants' counsel indicating that the Trustee is reconsidering such Payment Percentage.

If the Trustee, with the consent of the TAC and the FCR, makes a determination to increase the Payment Percentage, the Trustee shall make supplemental payments to all claimants who previously liquidated their claims against the Asbestos Trust and received payments based on a lower Payment Percentage. The amount of any such supplemental payment shall be the liquidated value of the claim in question times the newly adjusted Payment Percentage, less all amounts previously paid to the claimant with respect to the claim.

The Asbestos Trust's obligation to make a supplemental payment to a claimant shall be suspended in the event the payment in question would be less than $250.00, and the amount of the suspended payment shall be added to the amount of any prior supplemental payment/payments that was/were also suspended because it/they would have been less than $250.00. However, the Asbestos Trust's obligation shall resume, and the Asbestos Trust shall pay any such aggregate supplemental payments due the claimant at such time that the total exceeds $250.00.

SECTION 5.

RESOLUTION OF CHANNELED ASBESTOS CLAIMS.

5.1 Ordering, Processing and Payment of Uninsured Asbestos Claims.

5.1(a) Ordering of Uninsured Asbestos Claims.

5.1(a)(1) Establishment of FIFO Processing Queue. The Asbestos Trust shall order Uninsured Asbestos Claims that are sufficiently complete to be reviewed for processing purposes on a FIFO basis except as otherwise provided herein (the "**FIFO Processing Queue**").

The claimant's position in the FIFO Processing Queue shall be determined by the date the claim is filed with the Asbestos Trust. If any claims are filed on the same date, the claimant's position in the FIFO Processing Queue shall be determined by the date of the diagnosis of the asbestos-related disease, with claimants with earlier diagnosis dates given priority over later diagnosed claimants. If any claims are filed and were diagnosed on the same date, the claimant's position in the FIFO Processing Queue shall be determined by the claimant's date of birth, with older claimants given priority over younger claimants.

5.1(a)(2) Effect of Statutes of Limitation and Repose. All Uninsured Asbestos Claims must meet either (i) for claims first filed in the tort system against the Debtor or Reorganized Hopeman, the applicable federal, state or foreign statutes of limitation and repose

that was in effect at the time of the filing of the claim in the tort system, or (ii) for claims not filed against the Debtor or Reorganized Hopeman in the tort system, the applicable federal, state or foreign statutes of limitation and repose that was in effect at the time of the filing with the Asbestos Trust. However, the running of the relevant statute of limitation and repose shall be tolled as of the earliest of (A) the actual filing of the claim against the Debtor, whether in the tort system or by submission of the claim to the Debtor pursuant to an administrative settlement agreement; (B) the tolling of the claim against the Debtor by an agreement or otherwise; or (C) the Petition Date. For the avoidance of doubt, in order for an administrative settlement agreement or other tolling agreement to be considered effective hereunder, it must be a valid, enforceable written agreement between the specific claimant and the Debtor, and in order for the filing of a claim against the Debtor in the tort system to be a tolling event, the subject lawsuit must not have been dismissed as of the Petition Date. If an Uninsured Asbestos Claim meets any of the tolling provisions described in the preceding sentence and was not barred by the applicable federal, state or foreign statute of limitation and repose at the time of the tolling event, it shall be treated as timely filed if it is actually filed with the Asbestos Trust within three (3) years after the six-month anniversary of the date the Asbestos Trust first makes available the proof of claim form and other claims materials required to file a claim (the "**Initial Claims Filing Date**"). In addition, any Uninsured Asbestos Claim that was first diagnosed after the Petition Date, irrespective of the application of any relevant federal, state or foreign statute of limitation and repose, may be filed with the Asbestos Trust within three (3) years after the date of diagnosis or within three (3) years after the Initial Claims Filing Date, whichever occurs later. The Claims Materials shall detail the evidence the claimant must submit with respect to any tolling event.

5.1(b) Payment of Uninsured Asbestos Claims. All Uninsured Asbestos Claims shall be paid in FIFO order based on the date the resolution of their claim with the Asbestos Trust becomes final as evidenced by the claimant's acceptance of an offer from the Asbestos Trust (the "**FIFO Payment Queue**"); all such payments are subject to the applicable Payment Percentage.

Where the claimant is deceased or incompetent, and the settlement and payment of his or her claim must be approved by a court of competent jurisdiction or through a probate process prior to acceptance of the claim by the claimant's representative, an offer made by the Asbestos Trust on the claim shall remain open so long as proceedings before that court or in that probate process remain pending, provided that the Asbestos Trust has been furnished with evidence that the settlement offer has been submitted to such court or is in the probate process for approval. If the offer is ultimately approved by the court or through the probate process and accepted by the claimant's representative, the Asbestos Trust shall pay the claim in the amount so offered, subject to the Payment Percentage in effect at the time the offer was first made.

5.2 Resolution of Unliquidated Insured Asbestos Claims.

5.2(a) Procedure for Litigating Unliquidated Insured Asbestos Claims.

(i) Pursuant to Plan Section 8.12, Channeled Asbestos Claimants holding unliquidated Insured Asbestos Claims who wish to recover on such claims shall have the right to initiate, continue, or prosecute an action against Reorganized Hopeman (or if deemed an indispensable party, the Asbestos Trust), and where permitted by applicable nonbankruptcy law, any Non-Settling Asbestos Insurer for Wayne Manufacturing Corporation ("**Wayne**"), in the tort system to obtain the benefit of the Asbestos Insurance Coverage.

(ii) If a Channeled Asbestos Claimant commences such an action on account of its Channeled Asbestos Claim, the complaint shall name Reorganized Hopeman (or, if deemed an

indispensable party, the Asbestos Trust) or any Non-Settling Asbestos Insurer for Wayne as a defendant and shall be deemed by operation of law to be an action against Reorganized Hopeman or any Non-Settling Asbestos Insurer for Wayne, as applicable. Such an action may be filed in any court where Hopeman was subject to in personam jurisdiction as of the Petition Date or any other court of competent jurisdiction. Any such action shall be served on the Asbestos Trust, which shall provide notice of such action, as appropriate, to all Non-Settling Asbestos Insurers. Notwithstanding the foregoing, Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, appear, or otherwise participate in the action in any respect other than as set forth in this Plan and as may be necessary to comply with applicable Asbestos Insurance Cooperation Obligations. Where a lawsuit that is still pending against Hopemen was already pending prior to the Effective Date, the lawsuit may proceed, subject, however, to all defenses.

(iii) Any liability of Reorganized Hopeman or Wayne to any Entity, including any Channeled Asbestos Claimant or Asbestos Insurer, that is based on, arises from, or is attributable to any action commenced under this Section 5.2(a) shall be enforceable only against the Asbestos Insurance Coverage provided by the Non-Settling Asbestos Insurers and not against any other asset, including any other Asbestos Insurance Right, of the Asbestos Trust or Reorganized Hopeman.

(iv) Except as otherwise permitted under this Section 5.2(a), the Asbestos Trust shall have the exclusive right to pursue, monetize, settle, or otherwise obtain the benefit of the Asbestos Insurance Rights, including with respect to any unpaid insurance Proceeds applicable to a judgment or settlement obtained or entered into by a Channeled Asbestos Claimant in accordance with this Section 5.2(a).

(v) If a Channeled Asbestos Claimant has entered into an enforceable settlement agreement with a Non-Settling Asbestos Insurer pertaining to his Channeled Asbestos Claim and such Non-Settling Asbestos Insurer has not timely paid or has refused to pay the amount provided in such settlement, such Channeled Asbestos Claimant may commence a breach-of-contract action or other form of collection action against such Non-Settling Asbestos Insurer to recover the settlement payment owed.

(vi) Any Channeled Asbestos Claimant who (1) has obtained a judgment against Reorganized Hopeman or Wayne in accordance with this Section 5.2(a), or (2) has the right under applicable nonbankruptcy law to name, join, or substitute as a defendant an Asbestos Insurer, may, to obtain the benefits of Asbestos Insurance Coverage, commence a judgment-enforcement action or a direct action against the relevant Non-Settling Asbestos Insurer (an "**Insurance Policy Action**") in accordance with the terms of this Section 5.2(a), subject to the following conditions:

(a) If any Non-Settling Asbestos Insurer against whom an Insurance Policy Action is brought asserts as a defense that it would have a claim as a result of contribution rights against one or more Settled Asbestos Insurers with respect to the Channeled Asbestos Claimant's claim that it could have asserted but for the Asbestos Permanent Channeling Injunction (a "**Contribution Claim**"), the liability, if any, of the Non-Settling Asbestos Insurer to the Channeled Asbestos Claimant shall be reduced dollar-for-dollar by the amount, if any, of any judgment establishing the Contribution Claim in accordance with this Section 5.2(a).

(b) In determining the amount of any Contribution Claim that operates to reduce the liability of a Non-Settling Asbestos Insurer in any Insurance Policy Action, the Channeled Asbestos Claimant may assert the legal or equitable rights or defenses, if any,

of the Settled Asbestos Insurers with respect to such Contribution Claims, and for purposes of this Section 5.2(a), all Settled Asbestos Insurers, in exchange for their status as a Protected Party and for receiving the benefits of the Asbestos Permanent Channeling Injunction, shall be deemed to have transferred or assigned such legal or equitable rights or defenses to Channeled Asbestos Claimants; provided that the Channeled Asbestos Claimant shall not be permitted to argue that any Contributions Claims are not properly asserted against the Channeled Asbestos Claimant or that the Asbestos Permanent Channeling Injunction bars or affects in any way such Contribution Claims in connection with the Channeled Asbestos Claimant's claim against the Non-Settling Asbestos Insurer.

(c) If a court reduces the amount of liability of a Non-Settling Asbestos Insurer in an Insurance Policy Action based on the share attributable to a Settled Asbestos Insurer consistent with this Section 5.2(a), the Channeled Asbestos Claimant whose judgment has been reduced may seek payment from the Asbestos Trust for all or a portion of the amount of the judgment reduction attributable to the Settled Asbestos Insurer's share, but only as permitted by and in accordance with the provisions of this TDP.

(d) If the Asbestos Trust enters into an Asbestos Insurance Settlement with an Asbestos Insurer that is a party to a pending Insurance Policy Action, and if such Asbestos Insurance Settlement is approved by the Bankruptcy Court, the Channeled Asbestos Claimant pursuing such Insurance Policy Action shall (I) be deemed to release any rights transferred to it via the Trust Transfer, without further notice or action by any Entity, and (II) terminate its Insurance Policy Action with respect to that Asbestos Insurer. The Channeled Asbestos Claimant shall have the right to submit an Uninsured Asbestos Claim to the Asbestos Trust for payment in accordance with the provisions of this TDP.

(e) The Asbestos Trust may seek to intervene in any Insurance Policy Action at any time. A Channeled Asbestos Claimant pursuing an Insurance Policy Action shall not object to or oppose any request or motion of the Asbestos Trust to intervene in such Insurance Policy Action.

(vii) In addition to the rights and remedies set forth in this Section 5.2(a), Channeled Asbestos Claimants may, only to the extent permitted or provided under applicable nonbankruptcy law, bring such Insurance Policy Actions against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to potential liability of any Designated Person[3], subject to the terms and conditions set forth in this Section 5.2(a). For the avoidance of doubt, no Designated Person shall be named as a defendant in any such Insurance Policy Actions.

(viii) If a Channeled Asbestos Claimant intends to pursue an Extracontractual Claim[4] against a Non-Settling Asbestos Insurer, the Channeled Asbestos Claimant shall send written notice to the Asbestos Trust, requesting the Asbestos Trust's leave to pursue such Extracontractual Claim. Within fourteen (14) calendar days after receiving the Channeled Asbestos Claimant's request, the Asbestos Trust shall respond in writing that it is either granting or denying the Channeled Asbestos Claimant's request.

(ix) The Asbestos Trust's notice to the Channeled Asbestos Claimant of its decision to grant the Channeled Asbestos Claimant's request to pursue an Extracontractual Claim shall legally operate as, or shall effect, to the extent permitted or authorized by applicable nonbankruptcy law

[3] The Plan provides that "**Designated Person**" means each of the following former directors and officers of Hopeman or Wayne: Albert Arendt Hopeman, Jr., Bertram C. Hopeman, Charles Johnson, and Kenneth Wood.

[4] The Plan provides that "**Extracontractual Claim**" means any claim against an Asbestos Insurer for "bad faith," extracontractual, or tort liability that is based on, arises from, or is attributable to an Asbestos Insurance Policy or Asbestos CIP Agreement.

and without further notice or action by any Entity, a transfer to the Channeled Asbestos Claimant of the Asbestos Trust's rights to pursue such Extracontractual Claim (a "**Trust Transfer**"). The Channeled Asbestos Claimant shall thereupon have standing and authority to pursue, settle, or resolve such Extracontractual Claim within his or her absolute discretion, subject to the terms set forth in this Section 5.2(a).

(x) The Asbestos Trust may deny a Channeled Asbestos Claimant's request for leave to pursue an Extracontractual Claim if (I) the Asbestos Trust has determined that it is not able or permitted under applicable nonbankruptcy law to transfer or assign the Extracontractual Claim to the requesting Channeled Asbestos Claimant; (II) the Asbestos Trust intends, within ninety (90) calendar days after receiving the Channeled Asbestos Claimant's request, to commence litigation (or arbitration, to the extent required by the applicable Asbestos Insurance Policy or Asbestos CIP Agreement) against the relevant Non-Settling Asbestos Insurer with respect to the Channeled Asbestos Claimant's claim; or (III) the Asbestos Trust has already commenced such litigation or arbitration, which is pending or has been resolved. Such litigation commenced by the Asbestos Trust may include, or pertain to, multiple other Channeled Asbestos Claims or seek a declaration of rights generally with respect to the Non-Settling Asbestos Insurers' obligations in connection with Channeled Asbestos Claims.

(xi) In any action pursued in accordance with this Section 5.2(a), Channeled Asbestos Claimants shall not name any Released Party[5] as a defendant, or promptly shall dismiss from such action any Released Party previously named as a defendant. The Asbestos Trust shall indemnify any Released Party to the extent such Released Party is named as a defendant in such an action,

[5] The Plan provides that "**Released Parties**" means current and former directors, officers, or employees of Hopeman, or any past or present Affiliate of Hopeman, except Wayne, solely in their respective capacities as such.

and the Asbestos Trust shall take all steps reasonably necessary to have any Released Party named in such an action dismissed from such action, including seeking relief from the Bankruptcy Court to enforce the terms of the Plan.

(xii) Notwithstanding any provision of this TDP, the Plan or any other Plan Document to the contrary, Huntington Ingalls Industries, Inc. ("**HII**") may, (a) to the extent it is the holder of one or more Asbestos Indirect Claims and (b) only to the extent permitted or provided under applicable nonbankruptcy law, file claims, crossclaims, or third-party demands in a court of competent jurisdiction (including in any state court lawsuits) against Reorganized Hopeman (or, if deemed an indispensable party, the Asbestos Trust) or Wayne, or pursue direct actions against any Non-Settling Asbestos Insurer of Hopeman or Wayne, including to bring an action against a Non-Settling Asbestos Insurer of Hopeman or Wayne with respect to the potential liability of any Designated Person. For the avoidance of doubt, such Designated Persons will not be named as defendants in any such actions. Reorganized Hopeman, the Asbestos Trust, and Wayne shall have no obligation to answer, reply, appear, or otherwise participate in any action in which HII has filed a claim, crossclaim, third-party demand, or in any such direct action, other than as necessary to maintain coverage under the Asbestos Insurance Policies. Any judgment that may be obtained in connection with such a claim, crossclaim, third-party demand, or direct action cannot be enforced against the assets of Reorganized Hopeman or the Asbestos Trust, other than from the Asbestos Insurance Coverage. To the extent Hopeman's Asbestos Insurance Rights become subject to Asbestos Insurance Settlements and such Asbestos Insurance Rights are liquidated by the Trust, HII may submit Asbestos Indirect Claims to the Asbestos Trust in accordance with the provisions of this TDP. For the avoidance of doubt, the foregoing in no way limits HII's ability to seek payment or any other form of relief that may be made available according to the provisions

contained within this TDP, the Plan, or any other Plan document. For the avoidance of doubt, HII need not execute an Asbestos Personal Injury Claimant Release to obtain the benefits of this Section 5.2(a)(xii). Notwithstanding any provision of this TDP, the Plan or any other Plan Document to the contrary, the rights contained within this Section 5.2(a)(xii) may not be impaired, impeded, abridged, or otherwise modified at any time (whether before or after entry of the Confirmation Order) without the prior written consent of HII; provided, however, that the foregoing shall not be construed to vest HII with consent or veto rights as to a proposed Asbestos Insurance Settlement described in Section 8.17 of the Plan, or to override, expand, or otherwise modify HII's consultation rights granted under Section 8.17 of the Plan.

5.2(b) Payments or Distributions from the Asbestos Trust

The sole and exclusive source of payment or recovery of a claimant on account of his or her Channeled Asbestos Claim shall be the Asbestos Insurance Coverage applicable to such Channeled Asbestos Claim, as provided in Section 5.2(a) above, unless the Channeled Asbestos Claim (a) is an Uninsured Asbestos Claim, or (b) becomes an Uninsured Asbestos Claim before the claimant receives payment in full of any judgment obtained against Reorganized Hopeman or the Non-Settling Asbestos Insurer, or settlement reached with a Non-Settling Asbestos Insurer, in accordance with Section 5.2(a) above. An Channeled Asbestos Claim shall become an Uninsured Asbestos Claim when (i) the Asbestos Trust has settled, in accordance with an Asbestos Insurance Settlement, all rights to the Asbestos Insurance Coverage applicable to the Channeled Asbestos Claim, or (ii) any Asbestos Insurance Coverage that otherwise may be applicable to such Channeled Asbestos Claim becomes unavailable due to exhaustion of the relevant Asbestos Insurance Coverage or due to a Final Order ruling on a coverage issue or defense, in which event such Channeled Asbestos Claimant may seek payment or distribution on account of his Channeled

Asbestos Claim from the Asbestos Trust in accordance with the provisions of this TDP. If a Channeled Asbestos Claim is partially an Insured Asbestos Claim and partially an Uninsured Asbestos Claim, the Channeled Asbestos Claimant may pursue the Channeled Asbestos Claim in the tort system pursuant to the provisions of Section 5.2(a) above and then seek recovery from the Asbestos Trust for the amount of any judgement reduction attributable to a Settled Asbestos Insurer's share pursuant to the provisions of Section 5.4 below. Notwithstanding any provision in this Plan or any other Plan Document to the contrary, a Channeled Asbestos Claimant shall not be entitled to receive a payment or distribution on account of his Channeled Asbestos Claim from the Asbestos Trust unless and until his Channeled Asbestos Claim is eligible for payment..

5.3 Handling, Litigation, and Payment of Uninsured Asbestos Claims.

5.3(a) General. Consistent with Plan Section 8.16, claimants holding Uninsured Asbestos Claims must submit their claims directly to the Asbestos Trust. The Trustee, in consultation with the TAC and FCR, shall develop and approve claim materials for Uninsured Asbestos Claims. In any event, however, claimants must submit, at minimum, documents evidencing: (1) exposure to asbestos, including asbestos-containing products or materials engineered, designed, marketed, manufactured, fabricated, constructed, sold, supplied, produced, installed, maintained, serviced, specified, selected, repaired, removed, replaced, released, distributed, or in any other way used by the Debtor or any other entity for whose products or operations the Debtor has liability ("**Debtor Exposure**"); (2) a first exposure date that falls outside the Asbestos Insurer coverage periods; (3) evidence regarding the duration and circumstances of the Debtor Exposure; and (4) proof of diagnosis of an asbestos-related disease. In addition to submitting evidence of the above, claimants holding Uninsured Asbestos Claims must also make an offer of proof to the Asbestos Trust demonstrating that their Uninsured Asbestos Claim would

be cognizable and valid in the applicable tort system and would have been compensable by the Debtor Pre-Petition.

Before making any payment to a claimant, the Asbestos Trust must have reasonable confidence that the medical evidence provided in support of the claim is credible and consistent with recognized medical standards. The Asbestos Trust may require the submission of X-rays, CT scans, detailed results of pulmonary function tests, laboratory tests, tissue samples, results of medical examinations, or reviews of other medical evidence, and shall require that medical evidence submitted comply with recognized medical standards regarding equipment, testing methods and procedures to assure that such evidence is reliable. Medical evidence (i) that is of a kind shown to have been received in evidence by a state or federal judge at trial, (ii) that is consistent with evidence submitted to the Debtor to settle, for payment, similar disease cases prior to the Petition Date, or (iii) that is a diagnosis by a physician shown to have previously qualified as a medical expert with respect to the asbestos-related disease in question before a state, federal or foreign judge, is presumptively reliable, although the Asbestos Trust may seek to rebut the presumption. Notwithstanding the foregoing or any other provision of this TDP, any medical evidence submitted by a physician or entity that the Asbestos Trust has determined, after consulting with the TAC and the FCR, to be unreliable shall not be acceptable as medical evidence in support of any Channeled Asbestos Claim.

The claimant must demonstrate meaningful and credible Debtor Exposure. That meaningful and credible exposure evidence may be established by an affidavit or sworn statement of the claimant, a co-worker, or a family member in the case of a deceased claimant (providing the Asbestos Trust finds such evidence reasonably reliable), by invoices, employment, construction or similar records, or by other credible evidence. The specific exposure information required by the

Asbestos Trust to process a claim shall be set forth on the proof of claim form to be used by the Asbestos Trust. The Asbestos Trust may also require submission of other or additional evidence of exposure when it deems such to be necessary.

The Asbestos Trust shall, in its discretion, determine whether the evidence submitted and offer of proof are sufficient. If the Asbestos Trust concludes that the evidence and offer of proof are sufficient and that any other criteria established by the Trustee has been satisfied, the Asbestos Trust shall determine the liquidated value of the claim, with reference to Debtor's Pre-Petition tort system history and the valuation data included in such history. The Asbestos Trust shall consider all of the valuation factors reflected in Debtor's tort system history, which may include: (i) the claimant's age, disability, employment status, disruption of household, family or recreational activities, dependents, special damages, and pain and suffering; (ii) the duration and circumstances of claimant's Debtor Exposure; (iii) the asbestos-related disease of the claimant; (iv) the claimant's jurisdiction and law firm; and (v) the industry of exposure. The Asbestos Trust shall then make a settlement offer to the claimant. If the claimant accepts the offer, the claimant must submit an Asbestos Personal Injury Claimant Release and shall then accept payment from the Asbestos Trust, subject to the applicable Payment Percentage, in full and complete satisfaction of the claimant's Uninsured Asbestos Claim.

If the Trust denies the claim, or the claimant rejects the settlement offer, the claimant may pursue binding arbitration in accordance with the ADR Procedures set forth in Section 5.7 below to resolve disputes concerning whether the evidence submitted in support of the claim is sufficient, whether the claim would have been compensable in the tort system Pre-Petition, as well as the valuation of the claim based on comparison to the Debtor's Pre-Petition settlement history.

5.4 Payment of Judgments Reduced by Settled Asbestos Insurers' Shares.

If a court reduces a claimant's judgment payable by the Non-Settling Asbestos Insurer, dollar-for-dollar based on the share attributable to a Settled Asbestos Insurer consistent with Plan Section 8.13, the claimant whose judgment has been reduced shall have the right to submit a claim to the Asbestos Trust for the portion of the amount of the judgment reduction attributable to the Settled Asbestos Insurer's share. To obtain such payment, the claimant must file with the Asbestos Trust proof of the judgment and proof of the court's reduction of the judgment based on the Non-Settling Asbestos Insurer's assertion of its right to reduce the judgment attributable to the Settled Asbestos Insurer's share. Once satisfied that sufficient proof of the judgment reduction has been submitted, the Asbestos Trust shall place the claim in the FIFO Payment Queue and the Asbestos Trust shall pay the amount of the judgment reduction attributable to the Settled Asbestos Insurer, subject to the then applicable Payment Percentage.

5.5 Asbestos Indirect Claims. An Asbestos Indirect Claim that is an Insured Asbestos Claim shall be subject to all of the procedures set forth herein with respect to Insured Asbestos Claims. An Asbestos Indirect Claim that is an Uninsured Asbestos Claim shall be subject to all of the procedures set forth herein with respect to Uninsured Asbestos Claims and to the requirements set forth below.

If an Asbestos Indirect Claim asserted against the Asbestos Trust is an Uninsured Asbestos Claim, it shall be treated as presumptively valid and paid by the Asbestos Trust subject to the applicable Payment Percentage if (a) such claim satisfied the requirements of any bar date for such claim established by the Bankruptcy Court, if applicable, and is not otherwise disallowed by section 502(e) of the Bankruptcy Code or subordinated under section 509(c) of the Bankruptcy Code, (b) the holder of such claim (the "**Indirect Claimant**") establishes to the satisfaction of the

Trustee that (i) the Indirect Claimant has paid in full the liability and obligation of the Asbestos Trust to the individual claimant to whom the Asbestos Trust would otherwise have had a liability or obligation under this TDP (the "**Direct Claimant**"), (ii) the Uninsured Asbestos Claim of the Direct Claimant would be cognizable and valid in the applicable tort system and would have been compensable by the Debtor in the tort system Pre-Petition; (iii) the Direct Claimant and the Indirect Claimant have forever and fully released the Asbestos Trust from all liability to the Direct Claimant, and (iv) the claim is not otherwise barred by a statute of limitation or repose or by other applicable law, and (c) the Asbestos Trust has not yet paid the Direct Claimant. In no event shall any Indirect Claimant have any rights against the Asbestos Trust superior to the rights of the related Direct Claimant against the Asbestos Trust, including any rights with respect to the timing, amount or manner of payment.

If an Indirect Claimant cannot meet the presumptive requirements set forth above, including the requirement that the Indirect Claimant provide the Asbestos Trust with a full release of the Direct Claimant's claim, the Indirect Claimant may request that the Asbestos Trust review the Asbestos Indirect Claim individually to determine whether the Indirect Claimant can establish under applicable state law that the Indirect Claimant has paid all or a portion of a liability or obligation that the Asbestos Trust had to the Direct Claimant, which shall also require establishing that the Uninsured Asbestos Claim of the Direct Claimant would be cognizable and valid in the applicable tort system and would have been compensable by the Debtor in the tort system Pre-Petition. If the Asbestos Trust determines that the Indirect Claimant has established these things and the Asbestos Trust has not already paid the Direct Claimant, the Asbestos Trust shall reimburse the Indirect Claimant the amount of the liability or obligation so paid, subject to the then applicable Payment Percentage. However, in no event shall such reimbursement to the Indirect Claimant be

greater than the amount to which the Direct Claimant would have otherwise been entitled under this TDP. In all such cases, the liquidated value of any Asbestos Indirect Claim paid by the Asbestos Trust to an Indirect Claimant shall be treated as an offset to or reduction of the full liquidated value of any Asbestos Claim that might be subsequently asserted by the Direct Claimant against the Asbestos Trust.

The Trustee may develop and approve a separate claim form for Asbestos Indirect Claims.

5.6 Resolution of Pre-Petition Liquidated Claims. Holders of Channeled Asbestos Claims that were liquidated by a binding settlement agreement for the particular claim entered into prior to the Petition Date that are judicially enforceable by the claimant ("**Pre-Petition Liquidated Claims**") may seek payment of the unpaid amount from the Trust. The holder must submit all documentation necessary to demonstrate to the Asbestos Trust that the claim is a Pre-Petition Liquidated Claim. The required documentation shall include (A) a copy of the settlement agreement and (B) the name, social security number, and date of birth of the claimant, and the name and address of the claimant's lawyer; provided, however that if a Pre-Petition Liquidated Claim is listed on the schedule of such claims that the Debtor provides to the Asbestos Trust and the claimant confirms the information provided by the Debtor, the claimant shall not be required to provide any additional documentation. Upon the Asbestos Trust's receipt and approval of the necessary documentation with respect to a Pre-Petition Liquidated Claim and upon delivery by the claimant of an Asbestos Personal Injury Claimant Release, the Asbestos Trust shall pay the claimant the unpaid portion of the amount agreed to in the binding settlement agreement, plus interest, if any, that has accrued on that amount in accordance with the terms of the settlement agreement, subject to the applicable Payment Percentage, in full and complete satisfaction of the claimant's Pre-Petition Liquidated Claim.

5.7 Arbitration.

5.7(a) Establishment of ADR Procedures. The Trustee, with the consent of the TAC and the FCR, shall establish binding arbitration procedures, as part of the Alternative Dispute Resolution ("**ADR**") Procedures to be established by the Trustee with the consent of the TAC and the FCR, for resolving disputes concerning the compensability and/or valuation of Uninsured Asbestos Claims by the Asbestos Trust. The ADR Procedures may be modified by the Asbestos Trust with the consent of the TAC and the FCR.

5.7(b) Claims Eligible for Arbitration. In order to be eligible for arbitration, the claim processing process with respect to a claim must be complete and the claimant must have also completed separately any processes required under the ADR Procedures. The claim processing process shall be treated as completed for these purposes when the claim has been reviewed by the Asbestos Trust, the Asbestos Trust has made an offer on the claim, the claimant has rejected the offer, and the claimant has notified the Asbestos Trust of the rejection in writing. The claim processing process shall also be treated as completed if the Asbestos Trust has rejected or denied the claim and has notified the claimant of the rejection or denial in writing.

5.7(c) Limitations on and Payment of Arbitration Awards. A claimant who submits to arbitration shall receive payments in the same manner as one who accepts the Asbestos Trust's original offer on the claim. Moreover, all payments on arbitral awards shall be subject to the Payment Percentage.

5.8 Claims Audit Program. The Asbestos Trust, with the consent of the TAC and the FCR, may develop methods for auditing the reliability of medical evidence, including additional reading of X-rays, CT scans and verification of pulmonary function tests, as well as the reliability of evidence of exposure to asbestos, including exposure to asbestos, asbestos-containing-products,

or conduct for which the Asbestos Trust has legal responsibility. In the event that the Asbestos Trust reasonably determines that any individual or entity has engaged in a pattern or practice of providing unreliable medical or exposure evidence to the Asbestos Trust, it may decline to accept additional evidence from such provider in the future.

Further, in the event that an audit reveals that fraudulent information has been provided to the Asbestos Trust, the Asbestos Trust may penalize any claimant or claimant's attorney by rejecting the Asbestos Claim or by other means including, but not limited to, requiring the source of the fraudulent information to pay the costs associated with the audit and any future audit or audits, reordering the priority of payment of all subject Channeled Asbestos Claims, raising the level of scrutiny of additional information submitted from the same source or sources, refusing to accept evidence or claim submissions from the same source or sources, seeking the prosecution of the claimant or claimant's attorney for presenting a fraudulent claim in violation of 18 U.S.C. § 152, and seeking sanctions from the Bankruptcy Court.

SECTION 6.

CLAIMS MATERIALS

6.1 Claims Materials. The Asbestos Trust shall prepare suitable and efficient claims materials ("**Claims Materials**") for all Uninsured Asbestos Claims and shall provide such Claims Materials upon a written request for such materials to the Asbestos Trust. In developing its claim filing procedures, the Asbestos Trust shall make every effort to provide claimants with the opportunity to utilize currently available technology at their discretion, including filing claims and supporting documentation over the internet and electronically by disk or CD-ROM. The claim forms to be used by the Asbestos Trust shall be developed by the Trustee and submitted to the TAC

and the FCR for approval; they may be changed by the Trustee with the consent of the TAC and the FCR.

6.2 Content of Claims Materials. The Claims Materials shall include a copy of this TDP, such instructions as the Trustee shall approve, and a detailed claim form. The Asbestos Trust shall accept information provided electronically.

6.3 Withdrawal or Deferral of Claims. A claimant may withdraw an Uninsured Asbestos Claim at any time upon written notice to the Asbestos Trust and file another claim subsequently without affecting the status of the claim for purposes of statutes of limitations or repose; provided, however that such Uninsured Asbestos Claim must be refiled within three (3) years of the date of the withdrawal; provided, however that the Trustee, in his or her sole discretion, may allow a claim to be refiled after such date for good cause. All such claims filed after withdrawal shall be given a place in the applicable FIFO Processing Queue based on the date of such subsequent filing. A claimant may also request that the processing of his or her Uninsured Asbestos Claim by the Asbestos Trust be deferred for a period not to exceed one (1) year without affecting the status of the claim for statute of limitations purposes, in which case the claimant shall retain his or her original place in the FIFO Processing Queue. Except for Uninsured Asbestos Claims held by representatives of deceased or incompetent claimants for which court or probate approval of the Asbestos Trust's offer is required, a claim shall be deemed to have been withdrawn if the claimant neither accepts, rejects, nor initiates arbitration within one (1) year of the Asbestos Trust's written offer of payment or rejection of the claim.

6.4 Filing Requirements and Fees. Each claimant must submit a filing fee of Seventy-Five Dollars ($75.00) to have an Uninsured Asbestos Claim placed in the FIFO Processing Queue and processed by the Asbestos Trust. If the filing fee is not received by the Asbestos Trust within

sixty (60) days of the Asbestos Trust's receipt of the Uninsured Asbestos Claim, the Uninsured Asbestos Claim will not be classified as a filed claim and the statute of limitations will not have been tolled. The filing fee shall be refunded in full to a claimant who receives and accepts payment of a settlement offer from the Asbestos Trust..

6.5 Confidentiality of Claimants' Submissions. All submissions to the Asbestos Trust by a holder of a Channeled Asbestos Claim, including a claim form and materials related thereto, shall be treated as made in the course of settlement discussions between the holder and the Asbestos Trust, and intended by the parties to be confidential and to be protected by all applicable state and federal privileges and protections, including but not limited to those directly applicable to settlement discussions. The Asbestos Trust will preserve the confidentiality of such claimant submissions, and shall disclose the contents thereof only, with the permission of the holder, to another trust established for the benefit of asbestos personal injury claimants pursuant to section 524(g) of the Bankruptcy Code or other applicable law, to such other persons as authorized by the holder, or in response to a valid subpoena of such materials issued by the Bankruptcy Court, a Delaware State Court, or the United States District Court for the District of Delaware.

Furthermore, the Asbestos Trust shall provide counsel for the holder a copy of any such subpoena immediately upon being served; provided, however, that if a subpoena seeks records or information pertaining to more than fifty (50) claimants, the Asbestos Trust may instead first provide a copy of the subpoena to counsel for the TAC and the FCR and delay providing a copy of the subpoena to counsel for individual holders of Channeled Asbestos Claims until, in the Trustee's judgment, it appears likely that information or records relating to the holders may have to be produced in response to the subpoena. In such a case, the Asbestos Trust shall ensure that the notice that is provided to counsel for the holders allows such counsel sufficient time to object

to the production. The Asbestos Trust shall on its own initiative or upon request of the claimant in question take all necessary and appropriate steps to preserve said privileges before the Bankruptcy Court, a Virginia State Court, or the United States District Court for the Eastern District of Virginia and before those courts having appellate jurisdiction related thereto.

Notwithstanding anything in the foregoing to the contrary, with the consent of the TAC and the FCR, the Asbestos Trust may, in specific limited circumstances, disclose information, documents, or other materials reasonably necessary in the Asbestos Trust's judgment to preserve, litigate, resolve, or settle insurance coverage, or to comply with an applicable obligation under an insurance policy or settlement agreement within the Asbestos Insurance Rights; provided, however, that the Asbestos Trust shall take any and all steps reasonably feasible in its judgment to preserve the further confidentiality of such information, documents and materials, and prior to the disclosure of such information, documents or materials to a third party, the Asbestos Trust shall receive from such third party a written agreement of confidentiality that (a) ensures that the information, documents and materials provided by the Asbestos Trust shall be used solely by the receiving party for the purpose stated in the agreement and (b) prohibits any other use or further dissemination of the information, documents and materials by the third party except as set forth in the written agreement of confidentiality.

Nothing in this TDP, the Plan or the Trust Agreement expands, limits or impairs the obligation under applicable law of a claimant to respond fully to lawful discovery in any underlying civil action regarding his or her submission of factual information to the Asbestos Trust for the purpose of obtaining compensation for asbestos-related injuries from the Asbestos Trust.

6.6 English Language. All claims, claim forms, submissions, and evidence submitted to the Asbestos Trust or in connection with any claim or its liquidation shall be in the English language.

SECTION 7.

GENERAL GUIDELINES FOR LIQUIDATING AND PAYING CLAIMS

7.1 Discretion to Vary the Order and Amounts of Payments in Event of Limited Liquidity. Consistent with the provisions hereof and subject to the FIFO Processing and Payment Queues and the Payment Percentage set forth above, the Trustee shall proceed as quickly as possible to liquidate valid Uninsured Asbestos Claims, and shall make payments to holders of such claims in accordance with this TDP promptly as funds become available and as claims are liquidated, while maintaining sufficient resources to pay future valid claims in substantially the same manner.

Because the Asbestos Trust's assets and liabilities over time remain uncertain, and decisions about payments must be based on estimates that cannot be done precisely, such decisions may have to be revised in light of experiences over time, and there can be no guarantee of any specific level of payment to claimants. However, the Trustee shall use his or her best efforts to treat similar claims in substantially the same manner, consistent with his or her duties as Trustee, the purposes of the Asbestos Trust, and the practical limitations imposed by the inability to predict the future with precision.

In the event that the Asbestos Trust faces issues with respect to liquidity, the Trustee may, with the consent of the TAC and the FCR, (a) suspend the normal order of payment, (b) temporarily limit or suspend payments altogether, or (c) commence making payments on an installment basis.

7.2 Punitive Damages. Punitive or exemplary damages, *i.e.*, damages other than compensatory damages, shall not be considered or paid by the Asbestos Trust on any Uninsured Asbestos Claim, notwithstanding their availability, or award, in the tort system.

7.3 Releases. As a condition to receiving any payment from the Asbestos Trust, a claimant or, in the case of an Asbestos Indirect Claim, an Indirect Claimant and the related Direct Claimant shall be required to execute an Asbestos Personal Injury Claimant Release. The form of the Asbestos Personal Injury Claimant Release shall be substantially in the form attached to the Plan as Exhibit E. The Trustee may modify the provisions of the Asbestos Personal Injury Claimant Release with the consent of the TAC and the FCR; provided, however, that no such change shall be inconsistent with the terms of the Plan or the Confirmation Order and/or modify in any way the releases and injunctions contained in the Plan and or the Confirmation Order.

SECTION 8.

MISCELLANEOUS

8.1 Amendments.

8.1(a) Amendments in General. Except as otherwise provided herein, the Trustee may amend, modify, delete, or add to any provisions of this TDP, provided the Trustee first obtains the consent of the TAC and the FCR pursuant to the consent process set forth in Sections 5.7(b) and 6.6(b) of the Trust Agreement. Nothing herein is intended to preclude the TAC or the FCR from proposing to the Trustee, in writing, amendments to this TDP. Any amendment proposed by the TAC or the FCR shall remain subject to Section 7.3 of the Trust Agreement.

8.1(b) Amendments Related to a Settlement with an Asbestos Insurer or Other Development Materially Impacting the Availability of Asbestos Insurance Coverage. In the event the Asbestos Trust, with the consent of the TAC and the FCR, reaches a settlement with an

Asbestos Insurer on or after the Effective Date that resolves such Asbestos Insurer's Asbestos Insurance Coverage, such settlement shall require the approval of the Bankruptcy Court. To the extent such settlement, or any other development materially impacting the availability of Asbestos Insurance Coverage, requires a revision of this TDP, such revision shall require the consent of the TAC and the FCR.

8.2 Severability. Should any provision contained in this TDP be determined to be unenforceable, such determination shall in no way limit or affect the enforceability or operative effect of any and all other provisions of this TDP. Should any provision contained in this TDP be determined to be inconsistent with or contrary to the Debtor's obligations to any Asbestos Insurer, the Asbestos Trust with the consent of the TAC and the FCR may amend this TDP and/or the Trust Agreement to make the provisions of either or both documents consistent with the duties and obligations of the Debtor to their Asbestos Insurer.

8.3 Governing Law. Except for purposes of determining the validity and/or liquidated value of any Uninsured Asbestos Claim, administration of this TDP shall be governed by, and construed in accordance with, the laws of the State of Delaware. The law governing the determination of validity and/or liquidation of Uninsured Asbestos Claims in the case of arbitration shall be the laws of the State of Delaware.

Exhibit C

Amended By-Laws of Reorganized Hopeman

[To Come]

Exhibit D

Amended Certificate of Incorporation

[To Come]

Exhibit E

Asbestos Personal Injury Claimant Release

[To Come]

Exhibit F

Restructuring Transaction

[To Come]

Exhibit G

List of Vendor Released Parties

[To Come]

Exhibit H

Asbestos Insurance Policies

[To Come]

EXHIBIT B

LIQUIDATION ANALYSIS

EXHIBIT B

LIQUIDATION ANALYSIS

In accordance with section 1129(a)(7) of the Bankruptcy Code,[1] each holder of an impaired Claim or Equity Interest must either (a) accept the Plan or (b) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such non-accepting holder would receive or retain if Hopeman were liquidated under chapter 7 of the Bankruptcy Code (often referred to as the "Best Interest Test"). In connection with this requirement, the following hypothetical liquidation analysis has been prepared so that the Bankruptcy Court may determine that the Plan is in the best interest of creditors who reject the Plan and equity holders. The liquidation analysis should be reviewed in conjunction with the Disclaimer and the explanatory Notes below.

THE LIQUIDATION ANALYSIS IS AN ESTIMATE OF THE PROCEEDS THAT MAY BE GENERATED AS A RESULT OF A HYPOTHETICAL CHAPTER 7 LIQUIDATION OF HOPEMAN'S ASSETS. UNDERLYING THE LIQUIDATION ANALYSIS ARE A NUMBER OF ESTIMATES AND ASSUMPTIONS THAT ARE INHERENTLY SUBJECT TO UNCERTAINTIES AND CONTINGENCIES BEYOND THE CONTROL OF HOPEMAN'S MANAGEMENT AND ITS ADVISORS. ADDITIONALLY, VARIOUS LIQUIDATION DECISIONS UPON WHICH CERTAIN ASSUMPTIONS ARE BASED ARE SUBJECT TO CHANGE. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE ASSUMPTIONS AND ESTIMATES EMPLOYED IN DETERMINING THE LIQUIDATION VALUES OF HOPEMAN'S ASSETS WILL PRODUCE THE AMOUNTS OF PROCEEDS ESTIMATED IN THE LIQUIDATION ANALYSIS, AND ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE SHOWN HERE.

The first step in this liquidation analysis was to estimate the amount of proceeds that would be realized if Hopeman was liquidated in accordance with chapter 7 of the Bankruptcy Code. The second step was to reduce the available proceeds by (i) the various costs and expenses of liquidation, including the statutory fees of the chapter 7 trustee and the fees and expenses of the trustee's professionals, (ii) the amount of any secured claims, and (iii) the amount of such additional administrative expenses and priority claims that may exist or result from the termination of the chapter 11 case and liquidation under chapter 7 of the Bankruptcy Code. After these various reductions, any remaining funds would be allocated to holders of Claims and Interests in strict priority in accordance with section 726 of the Bankruptcy Code.

Conversion to chapter 7 would substantially affect the costs and efficiency of administering the Asbestos Claims compared to the Asbestos Trust proposed in the Plan. Chapter 7 of the Bankruptcy Code contains no provision for establishing a trust or other efficient means to resolve the Asbestos Claims. Under chapter 7, since personal injury tort claims cannot be resolved in the Bankruptcy Court, the Asbestos Claims would have to be litigated in one or more other courts, and the trustee would need to engage litigation counsel to defend and liquidate those claims. This would likely be time-consuming as well as costly, leaving a far smaller amount of funds to be distributed to claimants.

[1] All capitalized terms used in this Liquidation Analysis that are not otherwise defined herein shall have the meanings ascribed to them in the Plan.

By contrast, under the Plan, although holders of Asbestos Claims and Demands may bring actions against Reorganized Hopeman, it will not be incumbent on Reorganized Hopeman or the Asbestos Trust to defend or liquidate those claims but only provide notice to Non-Settling Insurers and cooperate in any defense of the Asbestos Claims and Demands that those insurers may choose to mount. To the extent that holders of Asbestos Claims and Demands obtain a judgment against Reorganized Hopeman or have the right to pursue direct actions under applicable nonbankruptcy law, such holders may bring judgment-enforcement or direct actions against Non-Settling Asbestos Insurers, in accordance with Section 8.13 of the Plan, to obtain the benefits of Asbestos Insurance Coverage. All other claims against Hopeman will receive payments and distributions in accordance with the Plan and the Asbestos Trust Documents.

Therefore, in all likelihood, conversion to chapter 7 would result in a considerably longer process for resolving all of the Asbestos Claims and in substantially less funds being available to distribute to creditors. Based upon the foregoing, Hopeman and the Committee believe that the Plan offers more value to holders of Asbestos Claims than would result from a liquidation under chapter 7 of the Bankruptcy Code.

Disclaimer

The information herein is furnished solely in connection with acceptance or rejection of the Plan. Each claimant should consult with his, her, or its own legal, business, financial, and tax advisors with respect to any matters contained herein and should not consider the contents of the enclosed information, or any prior or subsequent communications from, or information provided by Hopeman or any of its representatives or advisors, as legal, business, financial, or tax advice.

Estimating recoveries in a chapter 7 liquidation is an uncertain process due to the number of unknown variables and is necessarily speculative. Thus, this liquidation analysis relies upon the use of estimates and assumptions that, although considered reasonable by Hopeman, are inherently subject to significant uncertainties and contingencies beyond Hopeman's control.

The analysis contained herein is based on information from Hopeman and was developed with the assistance of Hopeman's and the Committee's advisors (collectively, the "Advisors"). The information provided by Hopeman has not been subjected to an examination in accordance with generally accepted auditing standards, and no opinion is expressed on the fairness of Hopeman's data. The Advisors have not independently verified the accuracy of the data provided and assume no responsibility for the accuracy or correctness of the enclosed analyses and the financial and other data upon which the enclosed presentation is based. Hopeman, its management and the Advisors expressly disclaim any representations or warranties as to the accuracy or completeness of Hopeman's books and records and the enclosed information and do not make and expressly disclaim any representations, warranties, or guarantees of any kind with respect to the value or nature of the assets. Estimates of liquidation value are presented for informational purposes only and merely reflect the estimated liquidation value of Hopeman's assets if certain conditions and assumptions can be achieved.

No representations are being made that such conditions or assumptions can be achieved. The estimated liquidation valuation is calculated using various assumptions, which may be beyond Hopeman's control and are inherently subject to uncertainty. No assurance can be given that such assumptions will prove to have been correct.

Liquidation Analysis

The following table and explanatory notes set forth a summary comparison of the projected assets available for distribution and sources of potential recovery under two scenarios: (i) the chapter 11 scenario, where the Plan is confirmed and the Asbestos Trust is established, and (ii) the hypothetical chapter 7 scenario, whereby the case is converted and, after a hypothetical liquidation of Hopeman in a chapter 7 proceeding, the holders of Claims, including Asbestos Claims, receive a distribution from the residual assets.

($ in Thousands)

Assets[1]	**Chapter 11**	**Chapter 7**
Cash[2]	$ 801.3	$ 801.3
Accounts Receivable, net[3]	117.9	117.9
Ongoing Business Investment[4]	350.0	-
Resolute Settlement Proceeds[5]	18,395.0	18,395.0
Other Asbestos Insurance[6]	80,000.0 - 120,000.0	31,500.0 - 40,000.0
Total Assets	**$ 99,664.2 - 139,664.2**	**$ 50,814.2 - 59,314.2**
Secured Claims and Administrative Expenses		
Professional Fee Administrative Expense Claims[7]	$ 12,500.0	$ 12,500.0
Asbestos Trust Start-Up Costs	250.0	-
Ongoing Business Investment[4]	350.0	-
Priority Tax Claims[8]	35.0	35.0
Priority Non-Tax Claims[9]	5.4	5.4
Secured Claims	-	-
United States Trustee Fees[10]	90.0	90.0
Chapter 7 Trustee Fees[11]	-	890.5 - 1,145.7
Chapter 7 Trustee's Professional Fees and Expenses[12]	-	8,500.0
Total Secured Claims and Administrative Expenses	**$ 13,230.4**	**$ 22,020.9 - 22,276.1**
Assets Potentially Available for Claimants	**$ 86,433.8 - 126,433.8**	**$ 28,793.3 - 37,038.1**
Unsecured Claims		
General Unsecured Claims[13]	$ 121.7	$ 121.7
Asbestos Claims[14]	Unknown	Unknown
Total Unsecured Claims	**Unknown**	**Unknown**

Notes to the Liquidation Analysis

1. The liquidation analysis is based on the estimated values of Hopeman's assets and liabilities, as of June 30, 2025. If different dates are used, the asset values may change. These values have not been subject to any review, compilation, or audit by any independent accounting firm.

2. Cash balance as of March 31, 2025. Hopeman's March 2025 Monthly Operating Report, Docket No. 674.

3. Accounts receivable balance as of March 31, 2025. Hopeman's March 2025 Monthly Operating Report, Docket No. 674.

4. The chapter 11 scenario assumes that Hopeman invests approximately $350,000 in an ongoing business.

5. Under the Certain Settling Insurers Agreement, the Certain Settling Insurers have agreed to pay Hopeman $18.395 million of settlement proceeds. The chapter 11 and chapter 7 scenarios each assume that the Certain Settling Insurers Agreement is consummated, and the proceeds are available to satisfy the chapter 11 administrative costs, with the net remaining settlement proceeds being made available to fund (i) the Asbestos Trust (in the chapter 11 scenario) or (ii) the chapter 7 case (in the chapter 7 scenario).

6. Other Asbestos Insurance includes Hopeman's rights under asbestos insurance policies issued by and related contracts with Non-Settling Asbestos Insurers, and the anticipated ability of creditors to recover from Liberty Mutual Insurance Company and other Non-Settling Asbestos Insurers when creditors become judgment creditors against Reorganized Hopeman. The amount of asbestos insurance recoverable, under either a chapter 11 scenario or a hypothetical chapter 7 scenario, is subject to a number of variables and uncertainty that make estimation with any degree of precision a challenging exercise. For this reason, these values are listed as a potential range of outcomes under each scenario. Asbestos claimants are not bound by Hopeman's prior agreements releasing its rights under policies issued by various insurers. For the low-end of the chapter 7 scenario, this liquidation analysis assumes a recovery of $31.5 million, based on the proposed settlement entered into on the eve of bankruptcy between Hopeman and Chubb and that additional insurance would not be recoverable. For the high-end, the liquidation analysis assumes an incremental additional recovery of $8.5 million for a total recovery of $40 million. In contrast, under the chapter 11 scenario, the liquidation analysis projects that the insurance recoveries will be materially higher, since the Plan's structure will provide an enduring framework under which claimants will be able to pursue litigation in the tort system and either enter settlements of their lawsuits payable by one or more of Hopeman's Non-Settling Insurers or secure judgments that will permit claimants to pursue insurance coverage litigation to recover on their judgments. This structure will have a significantly longer duration that will lead to more claimants receiving compensation for their injuries, and the availability of the channeling injunction through the Plan will offer certainty to insurers and could incentivize settlements.

7. Professional Fee Administrative Expenses are based on fees projected up until June 30, 2025. Such estimated professional fees take into account professional fee payments made already and any applicable retainers.

8. Estimated based on Priority Tax Claims asserted against Hopeman as listed in the claims register. All rights are reserved to object to such claims.

9. Estimated based on Priority Non-Tax Claims asserted against Hopeman as listed in the claims register. All rights are reserved to object to such claims.

10. United States Trustee Fees were estimated using the statutory quarterly United States Trustee fees calculated under 28 U.S.C. § 1930(a)(6), based on disbursements made during the chapter 11 case, for both scenarios.

11. The estimated Chapter 7 Trustee Fees are based on 3% of the amount available for distribution in a hypothetical chapter 7 case. In accordance with section 326(a) of the Bankruptcy Code, this estimate uses a flat 3% amount.

12. Under the chapter 11 scenario, under the terms of Section 8.12 of the Plan, holders of Asbestos Claims and Demands may bring actions against Reorganized Hopeman and, to the extent they have obtained a judgment against Reorganized Hopeman or have the right to pursue direct actions under applicable nonbankruptcy law, such holders may bring judgment-enforcement or direct actions against Non-Settling Asbestos Insurers, in accordance with Section 8.13 of the Plan, to obtain the benefits of Asbestos Insurance Coverage. All other claims against Hopeman will receive payments and distributions in accordance with the Plan and the Asbestos Trust Documents. However, in the chapter 7 scenario, if the chapter 7 trustee cannot reach agreements with all unresolved claimants, those claims need to be resolved in the tort system, because the Bankruptcy Court cannot resolve bodily injury claims under 28 U.S.C. § 157(b). In that scenario, the chapter 7 trustee would need to engage litigation counsel to defend and liquidate the asbestos claims. As such, chapter 7 trustee professional fees and expenses associated with resolution of claims would be significantly more time consuming, expensive and uncertain and would be incrementally higher than under the chapter 11 scenario. Based on Hopeman's historical annual costs of defending asbestos claims and review of comparable situations, the estimated incremental cost associated with resolving asbestos claims in a chapter 7 scenario is $8.5 million higher than the costs anticipated under the chapter 11 524(g) plan scenario.

13. The estimated amount of General Unsecured Claims asserted against Hopeman, is based upon review of unsecured claims listed in Schedule E/F of Debtor's Schedules of Assets and Liabilities, Docket No. 59, and in the claims register. The amounts shown herein are estimated and are not an admission regarding the validity of any asserted claim. All rights are reserved to object to such claims.

14. As of June 23, 2024, Hopeman estimated that over 2,700 unresolved Asbestos Claims were outstanding against it. Declaration of Christopher Lascell in Support of Chapter 11 Petition and First Day Pleadings of Hopeman Brothers, Inc. ¶ 28, Docket No. 8. According to Hopeman, all but 160 of those unresolved Asbestos Claims are unliquidated. *See id.* ¶ 29. Because of the unliquidated nature of the vast majority of the Asbestos Claims, the aggregate amount of such claims is unknown and Hopeman does not have sufficient information to estimate the total amount of these claims with certainty for purposes of this analysis.

EXHIBIT C

REORGANIZED HOPEMAN PROJECTIONS

NOTES AND ASSUMPTIONS:

The cash flow forecast herein is based upon case precedent and projections contained in an investment memorandum regarding the real estate investment Reorganized Hopeman intends to enter into. Estimates assume a $350,000 initial investment by Reorganized Hopeman (approximately 3% interest) in the $12,400,000 common equity of the real estate investment. Expenses are informed by past precedent and are adjusted by 2% to reflect expected inflation. The estimated Revenues From Investment are based on projections provided in the memorandum. These projections are illustrative and future results may vary materially due to unforeseen events that could extend beyond the control of the Plan Proponents.

All capitalized terms are defined in the Plan of Reorganization

($ in USD)

Pro Forma Projections of Reorganized Hopeman for the Year End June 30,

	2026	2027	2028	2029	2030
Revenues From Investment	**$26,250**	**$30,456**	**$35,706**	**$42,711**	**$51,069**
Expenses					
Administrative Expenses	15,125	15,428	15,736	16,051	16,372
Other Expenses	1,500	1,530	1,561	1,592	1,624
Total Expenses	**$16,625**	**$16,958**	**$17,297**	**$17,643**	**$17,995**
Net Income / Cash Flow	**$9,625**	**$13,498**	**$18,409**	**$25,069**	**$33,073**